THE FINANCIAL POST
OF CANADA
The Canadian Newspaper for Investors

VOL. XI. SINGLE COPIES, 10 CENTS. PUBLICATION OFFICE: TORONTO, DECEMBER 1, 1917 ANNUAL SUBSCRIPTION $3.00. No. 48

TORONTO RAILS DIVIDEND WILL BE AT OLD RATE

Director Says Declaration to be Announced in Few Days.

FUTURE MAY SEE CUT

New York Announcement That Rate Will be Reduced From 8% to 4% May Indicate Policy Being Considered.

On the authority of a director of the company, THE FINANCIAL POST is in a position to state that the regular quarterly dividend of Toronto Railway at the rate of 8 per cent. per annum will be announced shortly, probably during the coming week. This announcement is of interest and importance, particularly in view of the reports which have been circulated of a cut in the rate—reports which seemingly found confirmation in the announcement from New York that Read & Co., in making an issue of $750,000,000 6 per cent. notes to meet a December 1st maturity, had arranged an agreement whereby the dividend would be reduced from 8 per cent. to 4 per cent. annually, so as to provide a fund of $50,000 a month for ten months to help retire the notes.

When this New York report was brought to the attention of the directors of the company it was intimated that no such agreement had been consummated and doubt was expressed as to whether Read & Co. had made such a formal announcement. It was stated that dividend news would come from the board and that the usual quarterly announcement would be made "in the course of ten days."

While this announcement clears up the situation so far as the final quarter of the current year is concerned, it will be noted that there is no assurance that some reduction of the dividend will not be made in the future. In fact, it has been felt for some time that, in view of the company's maturities, the increasing cost of operation would, sooner or later, bring about a reduction of the rate. Whether action will be taken next year along the lines indicated in the announcement of Read & Co. remains to be seen, but it would not be a matter for surprise to those who have been following the company's affairs. Regarding the financing of Toronto Railway and other Canadian maturities our New York correspondent writes:

NEW YORK.—The successful financing accomplished here by the Toronto Street Railway Company at the close of last week directs interest toward this somewhat perplexing problem for corporations at this time. So little corporate financing "gets by" these days that the success of the Toronto Company's financing has attracted special comment in the Wall Street district. This issue and one undertaken by the General Electric Company were the first two pieces of corporate financing announced in this market for an unusually long period. Government financing takes absolute precedence these days.

"The welcome that greeted these attempts at new financing was so cordial," said the *Annalist* on Monday reviewing the situation, which included the putting out of the Toronto trolley notes, "that it is fair to assume that they are but forerunners of a little activity." Canadian maturities on December 1 total $1,080,000, the total being made up as follows:

Toronto Railway notes 6's......	$ 750,000
Can. Northern Ry., Equip. 5's..	40,000
Canadian Pacific Ry. Equipment obligations	140,000
G.T.R. Whipple Car 1st Real Estate and Collateral Car Trust 6's	30,000
Victoria Rolling Stock & Realty Co. of Ontario Ltd., Series "S"	80,000
	$1,080,000

It will be seen that the Toronto trolley notes were the most important of the December Canadian maturities. Funds for the C. N. R. maturities were provided as far back as last September, when $10,000,000 6 per cent. one-year notes were sold on a 7 per cent. basis. This financing was effected to take care of the maturities for the final months of this year.

With the financing of the December maturities, as above, Canadian corporations will have cared for a grand aggregate of $43,000,000 maturities in 1917. While Secretary McAdoo is not permitting any new corporate financing these days, no hindrance, it would appear, was being placed in the way of arranging for the care of bond maturities at the proper date. None other than financing in the nature of a refunding operation would be tolerated.

While strictly speaking not a Canadian maturity, Canadian capital interest attaches to the redemption of bonds by the Detroit United Railway Company in anticipation of a December maturity. On December 1 the D. U. R. will retire $50,000 of its first mortgage 5 per cent. gold bonds (Nos. 251-300 inclusive), thereby making $300,000 retired since December 1, 1912. At last accounts $1,550,000 bonds were outstanding on this issue.

MACDONALD MAY PAY PREFERRED EARLY NEXT YEAR

Earnings For Present Year Sufficient Even For Common.

BIG RISE IN EARNINGS

Due To Prosperity in West and Wise Opening in Vancouver—Heavy Stocks Keep Up Bank Indebtedness.

Some of the larger shareholders of the A. Macdonald Company with whom THE FINANCIAL POST has been in communication express confidence that the company will make its first payment on the preferred stock on or before the annual meeting next spring. It is learned that the present earnings of the company have been sufficient, not only to meet all charges on loans as well as operating expenses, but would permit of the 7 per cent. dividend that goes with the preferred stock, and in addition could pay a fair per cent. on the common stock. The business this year has passed all previous records, and the net profits of last year, $219,015, will be greatly exceeded. Not only has the present year been a prosperous one for the company, but there is every indication that the volume of the turnover will grow steadily next year.

The accrued dividends on the preferred stock, $1,766,800, amounted to 21 per cent. at the beginning of the year and will be 28 per cent. by the close of the present year, or $494,704. There was a dividend of 7 per cent. paid for the first year, 1913, but none since that time. The common stock amounting to $3,000,000 participated to the extent of 2½ per cent. in 1913 also, but has received nothing since, and there is naturally not much chance for the common for some considerable period, as the only suggestion heard is that the company should resume the preferred dividend next year, leaving the accrued to be wiped out at some future period.

West is Properous.

One informant of THE FINANCIAL POST stated that one of the reasons for the excellent showing that the A. Macdonald Co. was making this year was the prosperous condition of the farmers of the West, where all its business lies. Two other elements mentioned were the shutting down of the unproductive branch at Port Arthur, and the taking over of a going concern in Vancouver, and the establishing of business there. This has not only extended the field of the company into a section that with the revival of shipbuilding is improving rapidly, but has provided facilities for breaking bulk with many imports and shipping to intermediate points where, before, the goods had to be sent on to Winnipeg and back. This has meant a large saving in freight, as well as more expeditious delivery.

While the turnover has been large, it is understood that the heavy bank loans have not been greatly reduced. The need for carrying large stocks in the uncertainty of import conditions, and of domestic delivery as well, and the high prices have increased greatly the value of the stocks on hand, and the company has had to depend on the help of the banks. This loan feature may be extended as an argument against the paying out of the surplus even next year for dividends, on the ground that it could be applied to better advantage to the shareholders if it went to reduce the indebtedness and were invested in stocks that would be turned over several times during the year.

THE BRITISH GOVERNMENT PLACES IMPORTANT NEW SHELL ORDERS IN CANADA

Renewal of Business in Shrapnel as Well as Extension For 4.5 and Six-inch Shells.

NEW LEASE OF LIFE FOR MUNITIONS INDUSTRY

The Financial Post Makes Announcement of an Important Development as Regards Metal Working Concerns—An Immediate Reflection of War Loan's Success, Which Will Be a Big Factor in General Prosperity.

THE FINANCIAL POST is in position to announce that the British Government has instructed the Imperial Munitions Board, Ottawa, to issue without delay to Canadian metal-working plants equipped for the work, contracts in volume covering the steel, forging and machining of 18-pdr. shrapnel, 4.5-inch and 6-inch high explosive shell, which will ensure steady employment both of men and machines for a period extending well into the New Year. The success of our Victory Loan has apparently been anticipated.

It has been brought home to us in recent months that for the duration of the war at least the wheels of industry in Canada must needs revolve through the power medium of money supplied by her own people. In a word, much business is and has been available for our manufacturing plants—metal-working and otherwise; the procuring of same has, however, been dependent on our bearing its financing on our own shoulders in the shape of credits to the Imperial Government.

Munitions-making in Canada has for several months been ebbing, and until quite recently had the appearance of becoming a negligible quantity. Realization of such a possibility was little relished by our business interests. Investigation of the position disclosed the fact that financing of munitions orders was the chief obstacle in the way, hence effort was at once directed to satisfactorily overcome the trouble.

The decision to place further large British shell orders in Canada, coming as it does in the wake of the distribution of $7,000,000 worth or more of 75 and 155-millimetre shells by the American Government, the placing of a huge contract for fabricated steel for United States ship construction, and the receipt of a contract by a Toronto firm to supply airplane engines to the value of some $5,000,000 to the Imperial Government, it may be said that at no period in Canadian industrial history—peace or war time—has the business outlook in the metal trades been so promising.

UTMOST SUCCESS OF VICTORY LOAN IS ASSURED, AND TOTAL WILL EXCEED THE OBJECTIVE

Chairman of the Dominion Executive Issues Gratifying Statement as to Result of Campaign.

"THE utmost success of the Victory Loan is now assured," was the gratifying statement made to THE FINANCIAL POST yesterday afternoon by A. E. Ames, chairman of the Dominion Executive. "The total as reported up to the evening of the 29th (though in some cases reports had not been received as of a later date than the 28th) is $279,046,350, from 402,185 applicants. The total for the Loan will no doubt well exceed $325,000,000, from not far from 500,000 subscribers."

Asked as to the distribution amongst the five, ten and twenty year maturities of applicants throughout the Dominion, and, also, as to the amount of conversions of old issues into the new, Mr. Ames said that neither the Dominion Executive Committee nor any of the general Campaign Committees have a line on either subject. The danger of confusion of new money and total subscriptions including conversions was recognized before the prospectus was offered, and the Executive Committee took special pains to have it thoroughly understood with all campaign committees that reports should be made in terms of new money only.

While the questions of division amongst the different maturities and the amounts of conversions are important, it was felt that the main thing was to make sure of getting all the new money practicable. Accordingly, not only the general public, but, also, the Victory Loan organization, will need to wait for information on these two points until the Finance Department will have time to tabulate it. It is doubtful if the Finance Department will be able to furnish the figures on these very soon, as they have a tremendous amount of work to get through in receiving and tabulating applications and preparing interim receipts and having them in the hands of the banks as far from Ottawa as Victoria, B.C., in time for the second payments on January 2nd.

The Objectives.

Regarding the objectives for the various provinces, Mr. Ames said that various factors were considered. One of the principles that it is fair for the public to have in mind is that the subscriptions made by companies were to be credited at the head office of the companies, while employees' subscriptions were to be credited at the places where the plants are located. A number of important companies do business in several provinces and some in all. It was felt that the greatest good all around would be accomplished on this basis, as the greatest pressure for subscriptions could be exercised at short rather than long range, and waste effort would be used through committees in all parts of the country appealing to officers of companies instead of their dealing with one set of people. This principle was observed in the great majority of cases, though in a few the companies themselves decided to divide up their subscriptions. If the principle had been used of distributing the subscriptions of all companies amongst the provinces in proportion to the business done in them it is obvious that several of the provinces would have shown larger subscriptions, while, probably, those of Ontario and Quebec would have been somewhat reduced.

A Splendid Response.

Mr. Ames added that, while it could not be but that some features would not be perfect in an organization of such magnitude brought together in a few weeks, still he is satisfied there is an enormous body of good feeling regarding the Loan amongst not only those associated in the organization, but as well with subscribers, and that the devotion to duty, including day and night work all through the preparatory weeks and during the long sustained "spurt" of the final three weeks, by committeemen, organizers, district chairmen and canvassers, had been such as to "jack up" one's faith in mankind.

Totals to Date.

The following is the record of provincial totals received up to 10 a.m. Friday morning and issued at Dominion headquarters yesterday afternoon:—

	Applications	Subscribers
Alberta	$ 11,132,500	31,554
British Columbia	10,611,150	16,883
Manitoba	19,863,550	41,298
New Brunswick.	6,575,500	11,866
Nova Scotia ...	11,419,350	24,105
Ontario	149,715,000	199,209
P.E.I.	1,472,350	3,314
Quebec	54,912,200	37,000
Saskatchewan ..	13,344,750	36,875
	$279,096,350	402,185

"EXEMPTIONS" AND EXEMPTIONS.

The figures given in the daily papers as to the number of persons who have been conscripted or exempted are not strictly accurate. Many thousands of names are published as exemptions which are not really exemptions at all, but exemptions for only one, two, or three months, as the case may be, to enable the conscripts to close their affairs. In several cases men have been ordered to dispose of their businesses. We know of one young man who had developed a very successful factory, making a specialty. He was given three months to close it. Greatly to his credit, he did so willingly, though he realizes that to do so entails a serious financial loss to him.

THE BIG SLUMP IN RAILWAY PROFITS CALLS FOR ACTION

Three Canadian Roads, With Record Business, Have Small Profits.

C.N.R.'S CUT IN HALF—

And G.T.R. Declined 43 Per Cent.—New Wage Increases Mean Further Losses—Figures Call for Increased Rates.

The application made this week by the Grand Trunk Railway Company to the Interstate Commerce Commission of the United States for permission to increase its freight rates by 15 or 20 per cent. serves to draw attention afresh to the failure of the Dominion Railway Commission to give a decision in the applications of the Canadian roads for the 15 per cent. increase on Canadian rates.

The unfairness of the long delay in rendering judgment has been emphasized this week by the result of the arbitration between the G.T.R. and its conductors and trainmen, by which their wages are increased by considerably over half a million dollars, as were those of the engineers and firemen a few weeks ago. A week or two more will see an increase granted to the maintenance of way men.

All these advances in wages, the "incontrollable" expenditure of the roads, date back to September.

Every week that the Dominion Railway Board neglects to render its decision, granting the application, increases the expenses of the roads without providing compensation in increased earning facilities. Wages increases are retroactive; higher freight rates cannot be.

If further proofs were required than have been presented that the companies' contention is justified, these were furnished in overflowing measure by statistics published on Thursday of this week:

The C.P.R., it was shown, had established a new high record for gross earnings during October, some $1,500,000 more than in October of last year. In the face of this working expenses had increased so heavily that the net profits fell below those of October, 1916, by $620,037.

For the year to date, gross earnings are over $10,000,000 ahead of last year: but net profits are $2,514,263 below those of last year to date, and the remaining two months of the year will drag these still farther below those of last year.

Percentage figures are eloquent for a change in the company's rates: earnings advanced 11.3 per cent.; operating expenses advanced 27.9 per cent.; net profits dropped 10.9 per cent. as a result.

The official figures for the Grand Trunk Railway reveal an even more alarming condition of affairs:

For October, 1917, the net earnings were $764,060; for October 1916, they were $1,348,117. The net loss over last year was $584,057 or 43 per cent.

September, it will be recalled, was almost as bad, a loss of 42.4 per cent.

The Canadian Northern Railway shows a similar record. The gross earnings for October were $3,941,600, showing an increase of $224,800 over last year's figures of $3,716,800.

But,—the operating expenses in-

Continued on page 5.

AVERAGES SHOW STEADY DECLINE IN WHEAT CROPS

Agricultural Production is in Need of a Big Push.

RAISE A PIG IS NOT ENOUGH

Foreign Wheat Production Low—Tractor Help on Farms Can be Helped by Schools—Moving of Fertilizers Essential.

By F. M. CHAPMAN,
Editor, "The Farmer's Magazine."

The crop reports for Canada and the United States, giving the total production of foodstuff cereals, show that there has been a big decline in wheat production in 1917. The big crops of oats, corn, barley, and potatoes across the line and Canada's large increases in beans, potatoes, mixed grains, rye and barley, all enable the exportable wheat totals to grow beyond those of any previous year. The Food Controller's campaigns to introduce other flours and breads into the home diets are having a good effect. People are learning the values of our coarser cereals for food purposes and are learning thrift and economy in many ways. The following tables show some of the United States productions this year:

000's omitted.

Crop	Bushels 1917	Bushels 1916	1911-1915 5-year Average
All Wheat.	659,797	639,886	806,361
Corn	3,191,083	2,583,241	2,754,164
Oats	1,580,714	1,251,992	1,230,499
Barley ...	201,659	180,927	137,211
Potatoes ..	439,686	285,437	362,910
Beans	15,957	8,846	....

Besides, the food situation is helped out by reason of good crops of sweet potatoes, sugar beets, onions, cabbage, rice and buckwheat.

In Canada the following are the totals for 1917, with the five-year average 1911-1915:

000's omitted.

Crop	Bushels 1917	Bushels 1916	1911-1915 5-year Average
All Wheat.	231,730	262,781	244,896
Oats	393,570	410,211	398,931
Barley ...	51,684	42,770	46,333
Beans	1,389	412	854
Mixed Grs.	16,461	10,584	16,521
Potatoes ..	79,892	63,297	76,589

An examination of these tables gives ample proof of the fact that production in Canada of field crops is lagging behind the five-year averages generally. The great need for increase in 1918 never was more urgent than it is to-day. The situation in the United States has not shown up so badly, largely on account of their not having been at war last year. Even then the lowering of wheat returns is not pleasant reading.

We Must Get Down to It.

The estimates for 1918 crops, in the light of the averages already shown, together with the millions of men being drafted, should mean some serious consideration. Spurring up of every line of production will have to be made. Mechanical appliances and power devices under intelligent direction will have to be conscripted into the production ranks. Every foot of soil and every head of livestock must be working to its full capacity.

Food conservation for the Allies could be enhanced greatly if the desirability of diets of lamb and mutton, fish, potatoes, apples, turnips, rice, cornmeal and oats were impressed upon all consumers. The policy that advises the consumption of lamb, mutton, and veal would work out better for all concerned. Lamb is raised for edible purposes only, and they cannot be exported. We must feed our people well, but wisely.

Foreign Food Crops Lower.

The International Institute of Agriculture gives the 1917 production of wheat in Spain as 92.6 of the 1916 crop; in France as 70.6 of the 1916 crop; in Italy as 79.3 per cent. of the 1916 crop.

The 1917 production of barley in Spain, France, Scotland, Ireland, Italy, Netherlands, Sweden,. Switzerland, Canada, United States, Japan, and Algeria, is given as 517,000,000 bushels, cr 99.7 per cent. of the 1916 crop of these countries, and 95.4 per cent. of a five-year average, 1911-1915.

The 1917 production of oats in Spain, France, Scotland, Ireland, Italy, Netherlands, Sweden, Switzer-

Continued on page 7.

Canada's Victory Loan

Is issued in bonds of $50 and upwards, pays over 5½% interest, and is the safest investment in Canada. Patriotism demands that every one shall purchase to the limit of his means.

The Bank of Montreal

at all its branches is prepared to furnish information and assistance to purchasers, particularly those having small sums and who are not accustomed to the purchase of bonds.

Canada's Victory Loan

The Bonds of the above Issue run in denominations of $50.00 and multiples thereof.

Yielding in excess of 5½% interest, they provide an absolutely safe and profitable investment and afford, at the same time, an opportunity for the exercise of Patriotism and Duty on the part of purchasers.

This Bank is prepared to receive subscriptions for and to make advances, upon favourable terms, against these Bonds.

The Merchants Bank of Canada

Canada's Victory Loan

Every citizen, who can possibly do so, should subscribe to the Victory Loan.

To assist intending subscribers, the Bank will make advances for moderate amounts on favorable terms for the purchase of the above Bonds.

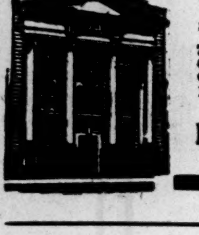
We will be glad to accept subscriptions, and attend to details. We will keep your bonds in safe custody on your account, free of charge, for one year.

For particulars apply to any Branch of

THE BANK OF BRITISH NORTH AMERICA

THE HOME BANK OF CANADA

ORIGINAL CHARTER 1854



Head Offices and Nine Branches in Toronto

8-10 KING ST. WEST, HEAD OFFICE AND TORONTO BRANCH.

78 Church Street
Cor. Queen West and Bathurst
Cor. Queen East and Ontario
1220 Yonge St. Subway, cor. Alcorn Avenue
Cor. Bloor West and Bathurst
236 Broadview, cor. Wilton Ave.
1871 Dundas St., cor. High Park Ave.
Military Camp, Exhibition Park

Branches and Connections Throughout Canada

THE

STANDARD BANK

OF CANADA

HEAD OFFICE - TORONTO

A GENERAL BANKING BUSINESS TRANSACTED

SAVINGS DEPARTMENT

AT ALL BRANCHES

THE MOLSONS BANK

Incorporated by Act of Parliament 1855

Paid Up Capital - - - $4,000,000
Reserve Fund - - - - 4,800,000

HEAD OFFICE, MONTREAL

98 BRANCHES

BOARD OF DIRECTORS

Wm. Molson MacPherson, President.
S. H. Ewing, Vice-President.
Geo. E. Drummond
F. W. Molson
W. A. Black
Wm. M. Birks
E. J. Chamberlin
Edward C. Pratt, General Manager

NEWS OF SECURITIES—Tone Slightly Better

ALTHOUGH the market has continued in the dull rut which it has occupied for weeks, there have been recently some occasional signs of life. These are regarded favorably not so much in themselves but as an indication that there may be something in the nature of a moderate revival of interest at the conclusion of the Victory Loan campaign when the professional element again devotes itself to the routine of the financial world and when investors will also turn their attention to the exchanges with a measure of confidence established by the success of the national appeal for funds. Outside influences appear to be somewhat steadier, as though the opinion was strengthening that the low point of the movement was at hand and that sooner or later there will be a readjustment to higher levels. When and how this will occur depends largely upon the trend of the war and other events of national and international importance which belong to a period of great uncertainty. Regarding the situation as seen in the United States, we quote:

J. L. Bache & Co., New York.—The market has recovered its equilibrium and its movements are now based upon sounder and calmer judgments of present conditions and future prospects. Contrary to the course pursued in the last week or two, stocks are not thrown overboard on declines, but reactions are met with diminished offerings. This indicates that the investing public has awakened to the remarkable values obtainable around present levels, and to the fact that a once-in-ten-year opportunity is afforded for purchasing many securities which will return an ample yield while held, and will eventually show substantial gain in principal invested.

Henry Clewes, New York.—Many standard securities, both stocks and bonds, are selling much below intrinsic values, and abnormal conditions have been very largely discounted. These facts have been recognized quite fully, and there has been a great deal of scattered investment buying, small in detail but large in the mass. As a result the technical position of this market has greatly improved by recent liquidation, and prices show much more readiness to rally upon favorable news. The course of prices must, however, inevitably depend upon day to day developments, and this means decided irregularity.

STEEL

Victory Loan Dominates the Market—Steel Issues Quiet and Featureless.

By P. BAIN, M.E.,
Editor Canadian Machinery.

There has been a firmer tone to the market all the week, but steel issues have again been neglected on account of the Victory Loan which has absorbed practically the entire interest of the public and the street. With one exception, prices of steel stocks have been practically stationary all the week, the fluctuations being negligible.

That further shell orders will be placed in Canada is assured by the announcement that the Imperial Munitions Board, had received instructions from the British Government to issue contracts for shrapnel, 4.5 in. and 6 in. shell to all Canadian firms equipped to produce these sizes. The volume of these contracts it is understood will keep the plants actively engaged until well into the new year. This is all entirely new business and is therefore additional to those contracts now being executed.

Artificial conditions due to embargoes and fixed prices have created an unusual situation in the steel market, and one that will incline to dullness. Business has been somewhat disorganized and consumers of necessity have to be cautious in buying. Both merchant and consumer stocks are now very low and buying is of the hand-to-mouth order. This situation has been brought about by an extended period of high prices and more recently by the shortage of materials. Merchants say that enquiries are coming in freely but that they cannot meet the demand owing to the sold-up condition at the mills and resultant backward deliveries. The enormous demand for steel for war purposes precludes the possibility of any improvement in the situation for some time to come.

That the shortage of steel for commercial purposes will become more acute seems inevitable on account of the growing demand for war purposes. Manufacturing operations are being curtailed and will continue to be so as long as present conditions prevail. Unfortunately there are no indications of any material improvement in the situation in spite of the embargo which has been placed on the export of steel from Canada. While the embargo will afford some relief, this will be largely offset by the difficulty in obtaining steel from the States for commercial purposes. One satisfactory feature of the situation is the steady increase in output of the Canadian steel mills.

It is not clear, even yet, what effect this price regulation in the States will have on the situation in Canada. Up to the present time, prices with very few exceptions have not declined and there has been nothing to indicate that there will be a general recession.

	Close, Nov. 22	Close, Nov. 29	Change
Can. Car	18½	18½	..
Do., pref.	49½	49½	..
Can. Loco., com.	58	58	..
Do., pref.	85½	85½	..
Gen. Elec.	101½	101½	..
Dom. Bridge ...	128	128	..
Dom. Iron, pr...	88	88	..
Dom. Steel	53¼	53¾	+ ½
N.S. Steel, com..	79½	79½	..
N. Stl. Car, pr..	17	17	..
Stl. of Can. com.	49¾	50	+ ¼
Do., pref.	84½	84½	..
Rus. Motor, com.	50	50	..

DOMINION BRIDGE.

The Dominion Bridge Co. has received an additional order for 10,000 tons of fabricated steel from the American International Corporation. Some two weeks ago orders from the same source amounting to 40,000 tons were announced, so that the total has now been increased to 50,000. The material is to be used in the construction of cargo steamers; the American International Corporation having an order for 130 vessels. It is understood that these orders will in no way interfere with the Dominion Bridge Co.'s regular business, provision having been made for handling these and similar orders from the United States as they become available. Some criticism was heard throughout the United States when the first order was placed with the Bridge Co., but it was argued that the latter was one of the few organizations on this continent in a position to turn out the material. There is every reason to believe that the company will participate in the shell contracts that will shortly be distributed by the Imperial Munitions Board on behalf of the British Government. The stock is steady and unchanged at 128.

It is understood that the contract held by the Bridge Co. for steel for the "Mystery Block," corner of College and Yonge streets, Toronto, has been cancelled, which deals to the belief the erection of the structure is more or less indefinitely postponed.

DOMINION STEEL.

The Dominion Steel Corporation is reported to have laid up an enormous quantity of quick assets as a surplus, amounting it is asserted to approximately $9,000,000 the assets taking the form of Government bonds, call loans, etc. In its statement as at March 31st, the company showed nearly $6,000,000 consisting of $1,085,671 investment in war loans, and $4,858,167 cash, while accounts receivable exceeded accounts payable and other current liabilities by $1,500,000. Insurance of more than $500,000 was paid in advance, including other expenses. The company has subscribed $3,000,000 to the present Victory Loan. All things considered there is every reason to assume that the report is reasonably accurate. This would mean that the company would have a surplus in cash or on Government loan of approximately 25 per cent. of its total capital. As it can readily obtain 5 per cent. upon this amount, its income from this source alone would be the equivalent of 1¼ per cent. on its common stock. The stock has been firmer and higher, influenced by the fact that it will be ex-dividend next week.

All reports of the Corporation bear out the impression gained at the time of the advance in the dividend from 4 to 5 per cent. that the business of the company this year will show a large increase in earnings over last year. For a time it was the coal department that was the big earner; now this has been reversed and the "Iron" end is the profit producer on a far larger scale. The FINANCIAL POST undestands that the real reason that underlay the action of the directors in making the advance in the dividend two months earlier than intended was in order to help the declining market.

STEEL OF CANADA.

Steel of Canada has been quiet but firmer. The stock has been above the minimum price all the week, latterly being quoted at 50. It is reported that the company has secured a large contract for shrapnel bars, and doubtless it will get further business of a like nature as a result of the new shell contracts about to be placed by the Imperial Munitions Board. The company is doing a big business in wood screws for shell boxes, and is also actively engaged in the production of the many other products included in its manufacturing scope.

The directors of the Steel Company of Canada met in Toronto on Thursday and declared the usual dividends. After the meeting it was stated that the company's orders were as large as they had ever been, and that the outlook was excellent. The company has been particularly happy in its relation with its employees, and there has been practically no friction. Steel of Canada advanced to 50¼, which is the highest point reached by this stock since minimum prices were established a month ago.

EASTERN STEEL.

The Eastern Steel Co., New Glasgow, is in liquidation, proceedings having started under judgments obtained by a number of creditors. The liabilities of this company are very considerable. Half the company's plant was burned down some time ago. It is understood that the bondholders were prepared to furnish funds to enable the company to proceed in business if they could obtain assurance that orders for shells would be forthcoming. They could have obtained orders from the American Government at a paying figure but the Munitions Board intervened. When Sir Robert Borden was in Halifax, a delegation interviewed him, making representations on behalf of the Company. Consideration was promised but it is not likely it will be possible to do any thing before the general election campaign is over—if then. As the plant had been engaged machining 4.5 inch shell previous to the fire, it is highly probable that the Imperial Munitions Board will place some of the orders now available with the company.

NOVA SCOTIA STEEL.

The Wall Street Journal says:—The 20 per cent. stock dividend on "Scotia" $12,500,000 common stock which was declared several months ago is payable November 30, to stockholders of record November 20. Considering the present quotations for the shares of 70 bid offered at 75, this would be the equivalent after the stock dividend to a quotation of from 58 to 62½. Nova Scotia Steel, paying $5 per share and earning $20, ought to look fairly cheap at anything under $60 per share. The interests who are now responsible for the company's affairs have been much pleased with the satisfactory manner in which the new president has taken hold. While Mr. Crockard has been only a few months in charge of the concern there has already been noted a marked improvement both in production and economies of operation. Plans for expansion are being carefully worked out, and it is the intention of the new management to proceed with such a policy just as rapidly as can be done under present circumstances." Scotia has been inactive this week, the last transaction some days ago being at the minimum price 66.

LAKE SUPERIOR CORPORATION.

Favorable construction is being placed on the recent quarterly statement of the Lake Superior Corporation. Unofficially, it has been figured that at the rate of production for the four months ended Oct. 31, 1917, and on a basis of net earnings per ton for the fiscal year ended June 30, 1917, there would be profits of at least $6,500,000 for the Algoma Steel Co. The net earnings of that company for the year ended June 30, 1917, were $4,462,752, and the pig iron tonnage 348,519, or $12.80 a ton. For the four months of the current fiscal year there were 165,477 tons of ingots produced.

Against total net earnings by the Lake Superior Corporation last year, amounting to $5,668,092, there were about $1,420,000 interest, charges on bonds of subsidiary corporations, etc., while the balance of profits, with the exception of $769,844 carried forward, was mostly absorbed by appropriations to reserves and "depreciation." With, however, the surrender of the stock of the Algoma Steel Corporation to the Lake Superior Corporation next March, it is expected that it will not be necessary to set aside such large amounts for reserves, betterments, etc.

DOMINION FOUNDRIES AND STEEL.

The outlook for Dominion Foundries and Steel Co. appears to be unusually bright, for in addition to the large volume of business on hand at the present time the company will certainly share in the new shell orders about to be placed.

TEXTILES

Sales More Likely This Week—Cutting Down of Available U.S. Exports Will Help Canadian Mills.

By H. H. BLACK.

There was a more lively movement of textile stocks this week than there has been for over a month, but in the face of the minimum price regulations, upon which all the sales rested, no comparisons as to the relative feeling of the market are possible.

From the industrial standpoint, and ultimately the stock market rests on this, there are several favorable factors that are developing for the Canadian mills. When the former heavy volume of British imports were cut off to a large extent, there was an immediate movement towards the United States market: and the mills there showed themselves alive to the importance of Canadian trade, even if it represented only a temporary demand. The imports from the States in cotton and woolen lines doubled and trebled, and with the accessibility of the U.S. mills, the former British competition re-appeared in an even keener form.

The war has brought a change, and with the loading up of U.S. mills with Government contracts, they are unable to supply Canadian requirements, and much of this trade will fall upon the Canadian mills to satisfy.

The advantage to Canadian mills from this condition is obvious. Canadian consumers will be forced to depend on domestic production more than ever, and when the knit goods mills are complaining that orders for next spring fell far below the average, they have the consolation of knowing that the retailers must come to them some time.

The raw cotton market has run up, for spot, to nearly 32 cents, and opinion is general that prices may go higher. Fifty cents even is mentioned now. The only unfavorable result of these high prices, for Canadian textile mills, is that consumption will be restricted. No one is "caught" by advancing prices of raw cotton as is the case in many industries where many contracts are filled at a loss if raw materials advance much after the contract is made. The practice of cotton mills is to cover all large orders at once in the raw markets.

	Close, Nov. 22	Close, Nov. 29	Change
Can. Cot., com..	48½	48½	..
Do., pref.	76	76	..
Dom. Tex., com.	80¾	80¾	..
Do., pref.	100	100	..
Mon. Knit., com.	80	80	..
Mon. Cot., pref.	100	100	..
Penmans, com. .	65	65	..
Do., pref.	81½	81½	..

BELDING-PAUL-CORTICELLI.

The action of the directors of Belding-Paul-Corticelli in rounding out the year with a double payment on the preferred stock, fourteen instead of seven per cent. and thereby cutting down the accrued dividends on this account to 17½, has made a most favorable impression on the street, and the annual statement, for the year ending August 31, is looked forward to with interest. This, however, will not be available until about Christmas. The president of the company, A. O. Dawson, told THE FINANCIAL POST that the year had been a splendid one, and that it would just about equal in profits last year, which had been an exceptionally favorable one.

With profits approximately the same as last year, Belding-Paul-Corticelli will repeat on net earnings that will run close to $250,000, as compared with $120,474 in 1915; $102,393 in 1914 and $127,876 in 1913. The sales in 1916 increased from $1,488,338 (1915) to $1,930,539.

CANADIAN COTTONS.

The recent advances in the price of raw cottons with the absolute uncertainty as to what the course of the market will be has forced the Canadian Cottons to withdraw all price lists, and orders are taken at the price as regulated by the raw market at the moment of acceptance. Fortunately, probably, for the company this condition has occurred in the off-season, between the end of advance orders for Spring delivery and the usual time for announcing prices for lines for fall, 1918. The mills have large orders on hand for spring delivery on which they are now engaged. Speaking to THE FINANCIAL POST, the Vice-President and Managing Director, A. O. Dawson, stated that he looked for still further advances in the price of cotton, although for business reasons he would prefer that the price went down. A lower price would make a material difference in next season's sales.

There were a few sales this week of common at the "minimum" price of 48½. No preferred was in sight.

DOMINION TEXTILE.

"No prices" are in force at the Dominion Textile Company, also, as a result of raw quotations. "We quote prices from day to day, and these are for immediate acceptance, and if not accepted, they are withdrawn and subject to more changes. In other words we are selling on the market from day to day," said an official to THE FINANCIAL POST. Fortunately for the company all the business they have booked has been covered in the raw market and there is no chance of loss from the unexpectedly high prices that have developed. The United States orders also have been provided for in the same way.

A number of sales took place this week of common at the "minimum' price of 80¾. A few of preferred sold at 100.

PENMANS.

In a week or two fall (1918) samples and prices will be announced by Penmans, and judging by the earliest lists received from some other companies the increases will run 20 per cent. and over. This will tend to discourage heavy buying. Penmans will benefit, however, by the condition that will control most U.S. mills, that will be unable to export much, if any, to Canada, as they will be tied up with war orders. A few sales of common went through this week at 65, the minimum price.

MILLING

Outlook That the Food Controller Will Amend the Order Regarding Package Goods.

By J. L. RUTLEDGE,
Editor Canadian Grocer.

One of the items of outstanding importance this week is the probability that all package cereal manufacturers will be licensed and permitted to operate as before the package goods order-in-council was published. While no definite notice of the Food Controller's intention to do so has yet been made public, it is known that the special committee appointed to consider the matter of licensing has recommended that licenses be granted, it having been proved to their satisfaction that no economy would result from the strict application of the embargo. The only change, therefore, that will result from the order will be that the manufacturers will be licensed, and the goods will probably carry on the package a license number.

As practically every milling industry is directly interested in this embargo there will be a considerable feeling of relief. Many companies faced a severe loss in heavy holdings of carton material. This will now be usable, and everything will practically be as before, except for the loss occasioned by the weeks of uncertainty, that brought some of the concerns most directly influenced practically to a standstill.

Business generally seems to be exceptionally good, local demand being keen and practically all the mills are working at full capacity. With this volume of business even the fixed standard of profit is not likely to materially affect their earnings.

LAKE OF THE WOODS.

An unusual demand has sprung up on the part of the bakers and other large users of flour in Canada, and the Lake of the Woods mills have all they can do to attend to the domestic end of their business. No flour can be spared at the moment for export. The explanation that was given to THE FINANCIAL POST is that the bakers were afraid that the Food Controller would soon put into effect stringent regulations that would make it necessary to bake a "standard" loaf with a "standard" flour, that would approach the British quality. No contract can be made with the mills for a supply or a price that extends longer than one month, and the possibility of changes in the quality of the flour makes the bakers feel like getting in as large stocks as possible. This rush, naturally, would end with the announcement of definite regulations. In the meantime the mills have had a good start on the business of the new year, and this will help them out afterwards if the Government action should restrict operations in such a manner as to cut down the average profit that was made last year.

There was no trading in this stock during the week, the last sale in the common being made at 120⅛.

OGILVIE MILLING.

The same conditions that were reported a week ago continue for the Ogilvie Flour Mills Company, namely, such a rush of local orders that the mills, working to capacity, have been unable to take advantage of the "blanket" order that stands open from the Wheat Export Company for all the surplus they have. No word has been received from Ottawa as to the definite legislation that will be brought into force as to brands of flour, or a fixed price, if any change is made in the present plan to compel a maximum profit of 25 cents a barrel.

Trading was very light in this stock during the past week. There was no movement in the preferred, while the limited sales in the common were made at the standard figure of 140.

ST. LAWRENCE FLOUR MILLS.

This coming visitor to the Stock Exchange reports through the President, T. Williamson, that it has all the business it can handle in looking after local trade. Mr. Williamson, speaking to THE FINANCIAL POST, said he did not believe that the Government would make a standard brand of flour compulsory on the mills, to the extent of restricting their output to this one line, but that they would be expected to fill any orders for this that came in, at a somewhat lower price, and that the greater part of the demand would continue for the better grades of flour such as were made at present, and would continue to be turned out. This would enable the mills to retain the special brands that had become well known to the trade throughout Canada, and formed a valuable asset to the most of them. The president's concluding summary of his own firm's business was: "It couldn't be better."

MAPLE LEAF.

The business of the Maple Leaf Milling Company for the past week continues to be of the most satisfactory order. Mills are working about at their capacity; though the bulk of this business is on British Government orders, the local trade of the company is not suffering.

There was a somewhat better feeling in the stock during the past week reaching a high for the week of 103 which is the highest point reached for a couple of months past. The average price for the week, too, showed a shade of advantage over that of the previous week. The preferred remained steady at 92. Sales were light in this department.

WESTERN CANADA FLOUR.

The business of this company is reported to be of a satisfactory nature. Local demand is brisk, and the only difficulty facing the company is that of transportation. Considerable trouble is being experienced both in getting supplies and in finding cars for the finished product. So far, however, these difficulties have been handled successfully, and it is hoped that in the near future these conditions will be showing an improvement.

MINING STOCKS

Market Very Quiet But Prices Seem to Be Holding Their Own Satisfactorily.

The week just closing has been the quietest, in point of volume of sales, of any this year. The average day's business was down to 37,904 shares, which is over 10,000 shares less than the average for the previous week. Notwithstanding the absence of orders, some strength was shown, particularly at the first of the week, when several stocks were moved up a point or two. A sagging movement followed and there was a general weakening on Wednesday and Thursday but not of sufficient extent to affect prices materially. The net result for the week was varied, some stocks showing advances and others declines, as may be gathered from an examination of the following table:

	Close, Nov. 22	Close, Nov. 29	Change
Adanac	.14½	.13¼	—.01¼
Beaver	.29½	.31	+.01½
Dome	7.00	6.60	—.40
Dome Ex.	.10	.09¼	—.00¾
Hargraves	.09	.09⅛	+.00⅛
Hollinger	4.95	5.05	+.10
McIntyre	1.34	1.34	...
Nipissing	8.05	8.00	—.05
Vipond	.19	.20¼	+.01¼
Timiskaming	.25¾	.25½	—.00¼
Newray	.46	.32	—.14
West Dome	.13¾	.13¾	...

The extent of each day's trading together with the daily quotation on bar silver appears in the next table. It will be noted that the price of silver has changed very slightly during the week. This is due in part to the expectation of an early fixing of the price by the British and American governments. A meeting will be held to-day in Washington between U.S. treasury officials, the director of the mint and representatives of the British Government regarding the completion of arrangements for fixing next year's price and contracting for its output.

	Transactions in shares	Bar Silver, per oz.
Friday, Nov. 23	43,080	84⅝c
Saturday, Nov. 24	25,477	84⅝c
Monday, Nov. 26	46,335	84¼c
Tuesday, Nov. 27	33,585	84¼c
Wednesday, Nov. 28	38,950	84¼c
Thursday, Nov. 29	40,000	....

Ore shipments from the Cobalt camp last week again exceeded one million pounds. Bullion shipments were 50 bars from the Mining Corporation, weighing 50,194.57 fine ounces and valued at $42,790. Shippers of ore were as follows:—

Shipper.	Cars	Pounds
Buffalo	4	321,355
McKinley-Darragh	2	170,459
Aladdin	2	128,728
Mining Corp.	1	88,000
Dom. Reduction	1	88,000
La Rose	1	87,859
Nipissing	1	87,635
O'Brien	1	64,940
Totals	13	1,036,976

The third quarterly bulletin of the Mines Branch of the province of Alberta shows a total output of lignite, bituminous and anthracite coal of 361,381 tons in July; 495,563 tons in August and 467,101 tons in September, or a total of 1,324,045 tons for the quarter. This compares with 1,118,794 tons in the corresponding period of 1916. Of the 1,324,045 tons, 619,467 was lignite; 670,935, bituminous and 33,643, anthracite. The Crow's Nest Pass district led with a production of 380,145 tons of bituminous; the Drumheller district following with 213,594 tons of lignite.

BEAVER CONSOLIDATED.

The final payment of $75,000 on the purchase of the Kirkland Lake gold mining property, which Beaver bought for $300,000, was made this week. The results of development at this mine have been satisfactory, and it should soon prove a source of revenue to the parent company. Close to a million dollars' worth of ore has been blocked out and the main workings have been driven to a depth of 700 feet.

Beaver shares were lightly traded in this week, advancing on Tuesday to 31, and holding at about this level.

DOME MINES.

Directors of the Dome Mines have decided to close down their mill until labor is more plentiful. This news was conveyed to shareholders early in the week in the following statement, signed by President J. R. DeLamar:

"At a meeting of the directors of the Dome Mines, held on November 26, it was resolved to shut down the mill for the present and to continue shaft sinking and the development of the known ore bodies, besides keeping the diamond drills at work on exploring operations.

"This conclusion was arrived at because while formerly $6 ore enabled the board to declare dividends at the rate of 20 per cent. per annum on the shares and augment the surplus, this same class of ore now does not pay a profit because of increased costs of labor and supplies, inferiority of labor, and because there are only men enough to be had to keep the mill running at one-fourth of its capacity.

"It is understood that the mine management has sufficient men to continue the development of the property on a considerable scale, and that when normal conditions are restored the ore reserves of the property will be unusually well advanced."

The closing down of the mill was pretty well discounted by the market. It is known that recent results of operations on the lower workings of the mine have been decidedly favorable, and as the company already has $11,000,000 of ore blocked out, a large cash reserve and a year's supply on hand, conditions are by no means so bad.

News of the closing of the Dome mill caused a decline in the stock on Monday from 6.90 to 6.65. The stock has since been weak, closing on Thursday at 6.60.

HOLLINGER.

Directors of Hollinger Consolidated were this week inspecting the new finds on the Miller-Middleton property, and it is predicted that a dividend will be declared very soon now. There are splendid ore reserves on hand as a result of the thorough development work of the past few months, and also a substantial cash surplus at the bank. The opinion is general, however, that such dividends as will be paid in the immediate future will be interim and not regular.

The new equipment now completed at the mine furnishes facilities for handling approximately 2,800 tons per day. The ultimate aim of the directorate and management is 4,000 tons a day. At the present time sufficient men are not available to carry on maximum production, and the output for the time being will perhaps be confined to about normal or $400,000 per month.

Hollinger shares reached a high point of 5.25 during the week, but later fell back to 5.00, closing on Thursday at 5.05.

McKINLEY-DARRAGH.

Producing bullion at the rate of 86,174 fine ounces per month and with the quotations for bar silver so far for the year having averaged approximately 80 cents per ounce, the McKinley-Darragh is in a financial position quite on a par with the best days in its history. With the quotation for the product at 85 cents an ounce the gross annual yield at the present rate would aggregate approximately $878,974. With developments at the lower workings of the mine proving the existence of ore considerably beyond the expected limits and with the new large flotation plant soon to be in full operation, there would appear to be every reason to look forward to 1918 as possibly the most prosperous year in the history of the company.

Shares of the McKinley-Darragh Co. touched 62 on this week's upward movement, but declined to 60 on Thursday.

MINING CORPORATION.

The Mining Corporation of Canada is now producing silver at the rate of 425,690 ounces per month and the production for the calendar year will approximate 5,108,280 fine ounces, having a value of at least $4,086,624. In point of production, the company now leads all silver-producing mines in the British Empire.

TECK-HUGHES.

Plans for the enlargement of the mill at the Teck-Hughes are under way, and its capacity will likely be doubled. When the first 80-ton unit was installed provision was made for the present expansion. New machinery will be taken in during the winter, and by early spring the company will probably be operating the largest mill in the Kirkland Lake camp.

PULP AND PAPER

No Change to be Noted in the Market Situation, Trading Being at a Standstill.

By W. A. CRAICK.

From the stock market standpoint there has been no change in the position of pulp and paper stocks this week. Trading is still limited to a few shares, which are being sold at minimum prices. A possible exception may be made of Brompton Pulp and North American Pulp, both of which sold during the week slightly above their minimums. The record for the seven days is as follows:

	Close, Nov. 22	Close, Nov. 29	Change
Laurentide	152	152	..
Riordon	117¼	117¼	..
Spanish, com.	13	13	..
Wayagamack	50	50	..
Brompton	39	40	+ 1
N.A. Pulp	2	3¼	+ 1¼
Price Bros.	120	120	..

The second hearing in the Canadian book paper inquiry, which was to have been held in Ottawa on December 8, has been postponed until after the election. In the face of increasing importance of United States paper, Canadian book manufacturers are still maintaining prices at former levels. Their position would appear to be a difficult one to justify in view of the decline in sulphite pulp. In October the price of pulp in the United States ruled from $60 to $65 a ton, with some sales as low as $55.

The sensational development of the week has been the settlement of the newsprint case in New York by agreement. When the case was called on Monday morning five of the seven manufacturers indicted pleaded "nolo contendere" on the ground of not desiring for patriotic reasons to embarrass the Government. Alexander Smith, who is in France doing Red Cross work, could not be reached by his attorney, and G. H. P. Gould pleaded not guilty. In the case of Smith the jury will not be discharged until his plea has been entered. In that of Gould, counsel for the Government stated that, as its investigators had not been able to produce evidence that would convict in his case, it consented to the dismissal of the indictments.

The result of the return of the plea, "nolo contendere," involved the acceptance of a decree signed by Judge Mayer dissolving the News Print Manufacturers' Association as an unlawful combination in restraint of trade. Under this decree evidence will be adduced before the Federal Trade Commission with a view to paper prices being fixed in the United States by the Commission and, pending such fixing, an interim price of three cents a pound is named.

After the pleas had been entered and the decree agreed to, argument on the question of fines followed, counsel for the defendants opposing the prosecution's demand that fines be imposed. The judge, however, finally imposed fines of $2,500 each on Messrs. Mead, Dodge, Chahoon and Backus and $1.000 on Sensenbrenner.

A special article dealing with the probable effect of the decision on the Canadian situation appears on page 17 of this issue.

ABITIBI.

The Abitibi Power & Paper Company is interested in the U. S. decision that fixes the price of news print at 3 cents for the three months preceding April 1, after which the permanent price will be announced. It has been agreed by the Abitibi Company, with the rest, that this price shall apply to Canadian paper, as well as to United States mills. An official of the Abitibi Company stated to THE FINANCIAL POST that this price was considered satisfactory, and was the price in force in present contracts. The action of the U. S. authorities, he thought, would influence the price in Canada. The Abitibi mills are running to capacity as the drop in orders for other papers has not applied to newsprint, and trade in this is as brisk as it was last year. The official figures of production for the three months ending Sept. 30 are: Paper, 15,403 tons; ground pulp, 4,381 tons; and sulphite pulp, 1,743. By far the greater part of this was exported.

LAURENTIDE.

The relation of the Laurentide Co. to the fixing of the 3-cent rate on newsprint in the States is commented on by its President, George H. Chahoon, in a statement on page 17 of this issue. It would hardly be fair to the Laurentide Co. to draw any conclusions from the imposition of a fine as the case was not defended, but in a sense "settled out of court" by an agreement granting the newsprint mills an appeal to a court of judges from the final price decision of the Federal Trade Commission which, by the way, has been regarded as rather hostile to the mills.

Mr. Chahoon stated that the business of the Laurentide Co. continued to be very satisfactory. On Wednesday of this week the company decided to apply for $1,000,000 of the Victory Loan.

RIORDONS.

The Riordon Pulp & Paper Co. came into the limelight this week with the Laurentide Company in connection with a $1,000,000 subscription to the Victory Loan, in spite of their differences with the Government, as was pointed out by the chairman of the Victory Loan Committee. The company considerably increased its reserve by its excellent business last year, and the unusually large sum applied for will strengthen public confidence in its stability. Its business continues steadily in the finer grades of pulp, and confidence is expressed that any investigation that may occur will show that its prices to the mills were dictated consistently by world market conditions.

TRANSPORTATION

Holders Of Securities Still Concerned With The Question Of Rate Advance.

The question of freight rates continues as the dominant factor in the situation affecting Canadian railroads and railroad securities. Special attention has again been called to the delinquency of the Railway Commission in connection with the matter by a new application of the Grand Trunk for an increase of 15 to 20 per cent. This company has recently made substantial increases to its employees and these added to the other costs of operation are placing the system in a position where it is becoming a serious question whether adequate service can be given without bringing bankruptcy within sight. The other roads are also suffering under the strain.

The railways do not only complain that their request is not granted but they have not been able to get from the Railway Commission an answer one way or the other, nor have they been able to obtain any intimation of what may occur. The result is that, as regards the demands of men for increases, they are being forced to pay more than they can afford and are yet not in a position to make a definite refusal with the possibility of the increase being granted in the near future. However, now that the situation is taking more definite form in the United States it is to be hoped that the air will be cleared in Canada also. If it has been that a decision has been withheld on account of the election it will only be a matter of a couple of weeks until this factor in the situation is also disposed of.

In the United States efforts have been made in a big way for the pooling of transportation interests, but there have been difficulties in securing a smooth organization. Some of the railroad officials claim that this difficulty is due to the trouble in getting business-like action from Government officials. On the other hand champions of the idea of public administration are advocating that the Government take the roads over altogether.

Another increase of nearly three-quarters of a million was returned by the Canadian roads for the third week of November, a total of $5,763,411, or 14.4 per cent. Of the three the C.P.R. led with a gain of 19.5 per cent. as compared with 17.1 last week. The C.N.R., which a week ago showed an increase of 26 per cent., fell back to 9.2 per cent., while the G.T.R. rose from 1.7 to 5.4%. The figures in detail are as follows:

	3rd week Nov.	Inc.	%
C.P.R.	$3,565,000	$581,000	19.5
G.T.R.	1,266,711	64,420	5.4
C.N.R.	931,700	78,700	9.2
	$5,763,411	$724,120	14.4

For the first three weeks of November the receipts total $17,086,307, an increase of $1,704,650 for the month to date over 1916, or 10 per cent. The figures by weeks are:

	Total	Inc.	%
First week	$ 5,382,585	$ 220,226	4.1
Second week	5,920,311	760,310	14.9
Third week	5,763,611	724,120	14.4
Totals to date	$17,086,307	$1,704,656	10.0

The total earnings for October were $24,379,125, an increase of $1,900,004 or 8.5 per cent., so that November to date is doing better.

Earnings of the past week are summarized as follows:

Week Ending November 21.

	1917	1916	Change	%
C.P.R.	$3,565,000	$2,984,000	+$581,000	19.4
G.T.R.	1,266,711	1,202,291	+ 64,920	5.3
C.N.R.	931,700	853,000	+ 78,700	9.2
	$5,763,411	$5,039,291	+$724,120	14.3

CANADIAN NORTHERN.

The Canadian Northern Railway System reports gross earnings for the third week in November amounting to $931,700 against $853,000 for the corresponding period in 1916, an increase of $78,700 or 9.2 per cent. In comparison with the figures for the previous week there is a falling off of $108,100. Comparative figures follow:—

	1917	1916	Inc.	%
Nov. 7	$ 895,400	$885,000	$ 10,400	1.2
Nov. 14	1,039,800	825,100	214,700	26.0
Nov. 21	931,700	853,000	78,700	9.2

From July 1, to November 21, the earnings totalled $17,400,300 compared with $16,986,900 in 1916, an increase of $413,400.

For the month of October the gross earnings of the Canadian Northern show an increase over the figures for the same month in 1916 of $224,800, the figures for the month being $3,941,600, against $3,716,800 in 1916. As compared with the figures for September, there is a gain of $599,900. Operating expenses were higher by $854,000 while net earnings totalling $591,100, showed a falling off of $629,200. Following are the figures for October:

October—	1917.	1916.		Change.
Gross	$3,941,600	$3,716,800	+	$224,800
Expenses	3,350,500	2,496,500	+	854,000
Net	591,100	1,220,300	—	629,200

It will be noted from the figures following that the gross earnings in October rank second from the beginning

Continued on page 4.

THE CANADIAN BANK OF COMMERCE

SIR EDMUND WALKER, C.V.O., LL.D., D.C.L., President
SIR JOHN AIRD, General Manager
H. V. F. JONES, Ass't. Gen'l. Manager

CAPITAL PAID UP, $15,000,000 RESERVE FUND, - $13,500,000

BANKING SERVICE

This Bank provides every facility for the prompt and efficient transaction of all kinds of banking business.

BRANCHES IN EVERY PROVINCE OF CANADA, IN NEWFOUNDLAND, AND AT THE FOLLOWING POINTS:

London, Eng. Mexico City New York
Portland, Ore. San Francisco, Cal. Seattle, Wash.

The Dominion Bank

HEAD OFFICE - TORONTO

Sir Edmund B. Osler, M.P., President
W. D. Matthews, Vice-President
C. A. BOGERT, General Manager

The London, England, Branch of The Dominion Bank at 73 Cornhill, E.C., conducts a General Banking and Foreign Exchange Business and has ample facilities for handling collections and remittances from Canada.

The Weyburn Security Bank

Chartered by Act of the Dominion Parliament.

HEAD OFFICE, - WEYBURN, SASK.

NINETEEN BRANCHES IN SASKATCHEWAN.

DIRECTORS:—Alex. Simpson, Pres., Minneapolis, Minn.; Jos Mergens, Vice-Pres., Weyburn, Sask.; J. A. McBride, Weyburn Sask.; Frank Moffet, Weyburn, Sask.; H. N. Morphy, Weyburn, Sask.; S. E. Oscarson, White Rock, S.D.; N. D. McKinnon, Weyburn, Sask.; H. O. Powell, Gen. Mgr., Weyburn, Sask.

A General Banking and Foreign Exchange Business Transacted

THE STERLING BANK OF CANADA

Service with us has long since ceased to be a theory. It permeates our every-day business.

UNION BANK OF CANADA

Established 1865

HEAD OFFICE - WINNIPEG

Paid-Up Capital .... $ 5,000,000
Reserve 3,400,000
Total Assets .... over $130,000,000

John Galt .... President
H. B. Shaw .... General Manager
J. W. Hamilton... Assistant General Manager

This Bank, having over 305 Branches in Canada extending from Halifax to Prince Rupert, offers excellent facilities for the transaction of every description of banking business.

Travellers' Cheques and Letters of Credit issued payable all over the world.

Collections made in all parts of the Dominion, and returns promptly remitted at lowest rates of exchange.

Attention is particularly drawn to the advantages offered by the Foreign Exchange Department of our London (England), New York and Montreal Offices, and Merchants and Manufacturers are invited to avail themselves of the Commercial Information Bureaus established at these Branches. New York Agency, 49 Wall St., New York City. Geo. Wilson, Agent.

CORRESPONDENCE SOLICITED.

NEWS OF SECURITIES

Continued from page 3

of the year, the high record mark being shown in June:

1917—	Gross earnings.	Operating expenses.	Net earnings.
January	$2,832,600	$2,350,500	$ 482,100
February	2,358,600	2,250,400	108,200
March	3,273,200	2,655,100	618,100
April	3,315,500	2,557,600	757,900
May	3,784,700	2,730,300	1,054,400
June	4,048,600	2,961,000	1,087,600
July	3,844,900	2,940,000	904,900
August	3,405,200	2,813,000	593,200
September ...	3,341,700	2,915,800	425,900
October	3,941,600	3,350,500	591,100

The aggregate gross earnings from July 1 to the end of October amounted to $14,533,400, an increase over the figures of 1916 of $109,600, while the aggregate net earnings totalled $2,515,100, and show a falling off of $1,707,200.

GRAND TRUNK.

For the week ending November 21, the gross earnings of the Grand Trunk Railway System totalled $1,266,711 compared with $1,202,291 for the corresponding period in 1916, an increase of $64,420 or 5.3 per cent., but compared with the figures for the previous week there is a falling off of $38,800. Following are comparative figures:—

	1917	1916	Inc.	%
Nov. 7....	$1,287,185	$1,244,959	$42,226	3.4
Nov. 14....	1,305,511	1,283,901	21,610	1.7
Nov. 21....	1,266,711	1,202,291	64,420	5.3

CANADIAN PACIFIC.

For the week ending November 21, the gross earnings of the Canadian Pacific Railway Company amounted to $3,565,000 compared with $2,984,000 for the corresponding period in 1916, an increase of $581,000 or 19.4 per cent. As compared with the figures for the previous week there is a falling off of $10,000. Comparative figures follows:—

	1917	1916	Inc.	%
Nov. 7..	$3,204,000	$3,036,000	$168,000	5.5
Nov. 14..	3,575,000	3,051,000	524,000	17.1
Nov. 21..	3,565,000	2,984,000	581,000	19.4

During October the gross earnings amounted to $14,733,774 compared with I13,337,086 for the same month in 1916, an increase of $1,496,688. Operating expenses were higher by $2,116,726, while net earnings for the month totalled $5,054,701 and showed a falling off of $620,038. For the month the figures are as folows:—

October—	1917	1916	Change
Gross ...	$14,733,774	$13,237,086	+ $1,496,688
Exp.	9,679,072	7,562,346	+ 2,116,726
Net	5,054,701	5,674,739	— 620,038

It will be noted from the following figures that the gross earnings for October were higher than for any previous month during the present year, the previous high being recorded in May. Net earnings also rose to a new high record for the year.

1917—	Gross Earnings	Working Expenses	Net Profits
Jan.	$10,153,308	$7,726,329	$2,431,478
Feb.	9,034,276	1,098,228	1,986,043
March	11,846,643	7,909,226	3,397,318
April	12,855,519	8,180,541	4,174,977
May	14,355,149	9,808,429	4,551,720
June	13,586,979	9,671,073	3,915,906
July	13,377,860	9,617,853	3,760,007
August	12,384,541	8,567,003	3,817,538
Sept.	12,244,341	8,497,190	3,747,150
Oct.	14,733,774	9,679,072	5,054,701
Total ...	$124,127,290	$86,750,443	$39,891,110

The October earnings of the Grand Trunk shows a total of $4,703,643, with expenses of $3,930,582, leaving net earnings of $764,060. This shows a loss in net earnings, compared with October of last year, of $584,057, a decline of 43 per cent. The September decline was 42%, July 4.8 June 3.1, and May 25% decrease.

The only transaction in Canadian Pacific on the Canadian exchanges since last report was at 134¾. This shows practically no change in the market situation.

CANADA STEAMSHIPS.

Canada Steamships common, which was practically neglected last week, has received a little attention during the past few days and a couple of hundred shares have changed hands at the minimum, 39¼. There has been some trading each day in the preferred at the minimum of 76. The company is now in the market for the purchase of the 5 per cent. first mortgage debentures of the Richelieu & Ontario Navigation Company. It offers to pay for the debentures at the rate of £105 for each debenture of £100 together with accrued interest thereon to date of payment. Payment for the debentures will be made on presentation and delivery at the Bank of Montreal, London Office, Threadneedle St.

ELECTRIC RAILWAYS

Little Change In Market As Regards Securities Of Public Utility Concerns.

The market remains without important change so far as the securities of electric railway and other public utility companies are concerned. Certainly there is no improvement in sight for the near future. However, there appears to be a growing opinion that if the cost of operation continues to increase as it has for months that some course will have to be considered to improve the revenues of the companies if they are to continue to give service to the public and at the same time return a reasonable income to the investor. Some steps are being taken in the United states to secure action in this direction. In Canada the outlook is less favorable than on the other side of the line. Not only in Ontario but in other parts of the country the public ownership idea is growing in popularity and in view of this there does not appear to be very much hope that material advances will be favored for private companies when the public ones, in order to maintain their popularity, can cover up their losses in other forms of taxation and create the impression of the benefits of cheap service.

In connection with the affairs of the British Columbia Electric Company, Prof. Adam Shortt has presented a report which has particular interest from the standpoint of the competition with jitneys which has been a serious factor in connection with the operation of the street railway systems in many cities—particularly Vancouver and Winnipeg in Canada. Prof. Shortt evidently believes that this form of competition is unfair to the street railway companies and recommends that the jitneys be restricted in their operations to areas not served by the traction companies.

B.C. ELECTRIC.

The October earnings statement of the British Columbia Electric Railway Company indicates an increase in gross earnings of $46,701 over October, 1916. the figures for the month being $491,964 against $445,263 a year ago. In comparison with the gross earnings for September there is a gain of $34,255. Operating expenses, maintenance, etc., totalled $393,508, an increase of $41,663, while net earnings for the month amounted to $98,456 compared with $93,418, an increase of $5,038. Comparative figures for October follow:—

	Net 1916	1917	Inc.
Jan.	$114,022	$130,470	$16,457
Feb.	96,522	101,680	5,158
March	91,298	100,448	9,150
April	77,867	97,088	19,221
May	62,830	72,729	9,890
June	56,399	21,245	*35,154
July	63,200	58,324	*4,876
August	74,134	58,257	*15,877
September ...	63,051	76,118	13,067
October	93,418	98,456	5,038

*Decrease.

The aggregate gross earnings from July 1, to October 31, were $1,842,476 against $1,695,658 in 1916, while the aggregate net earnings totalled $291,154 against $293,803.

DULUTH-SUPERIOR.

The Duluth-Superior Traction Company reports gross earnings for the third week in November amounting to $31,856 compared with $29,201 for the corresponding period in 1916, an increase of $2,655, or 9.1 per cent. For the first three weeks of November the earnings totalled $96,284, against $85,522, an increase of $10,761, or 12.6 per cent., while for the year to date the amount was $1,407,030 compared with $1,221,922, an increase of $185,107 or 15.1 per cent.

With sales during the week at 42½ Duluth-Superior common on a four per cent. basis continues as one of the market indications of the unpopularity of public utility stocks with the investor.

TWIN CITY.

For the month of October the Twin City Rapid Transit Company showed a falling off in gross earnings amounting to $41,228, the amount for the month being $805,687 against $846,915 for the same month in 1916. Operating expenses increased by $97,174 while fixed charges and taxes increased by $28,235, with the result that net income amounting to $43,498 showed a decline of $148,638. For the ten months ending with October the gross earnings totalled $8,537,793, an increase over the corresponding ten months in 1916 of $95,889. Operating expenses were higher by $491,258 and net revenue amounting to $2,840,862 showed a decrease of $395,369. Following are comparative figures for ten months:—

10 months—	1917	1916	Change
Gross rev.....	$8,537,793	$8,441,904	+ $95,889
Oper. exp. ...	5,696,931	5,205,673	+ 491,258
Net rev.	2,840,862	3,236,231	— 395,369
Fixed charges, taxes	1,526,831	1,434,877	+ 91,954
Net income...	1,314,030	1,801,353	— 487,323

CAPE BRETON.

The Cape Breton Electric Company reports gross earnings for the twelve months ending with September 30, amounting to $443,606 against $385,443 for the corresponding twelve months in 1916, the increase being $58,163. Operating expenses and taxes increased by $48,163, while net earnings amounted to $169,505 and showed a gain of $9,999. Interest charges totalled $63,340, an increase of $244, while sinking fund amounted to $15,360, the balance for reserves, replacements, and dividends being $90,804 against $80,999 in 1916, an increase of $9,805. The complete figures compare as follows:—

	1917	1918	Change
Gross earn.......	$443,606	$385,443	+ $58,163
Op. exp. and tax	274,100	225,937	+ 48,163
Net earnings ...	$169,505	$159,506	+ $ 9,999
Interest charges..	63,340	63,096	+ 244
Balance	$106,164	$ 96,410	+ $ 9,754
Sinking fund ...	15,360	15,410	— 50
Bal. (for reserve, replace. & div.)	$ 90,804	$ 80,999	+ $ 9,805

BARCELONA TRACTION.

Referring to industrial and business conditions in Barcelona, the United States Consul reports to Washington that local industries have had much to contend with during the past year. Scarcity of fuel and necessary materials, difficulties in transportation, and strikes have all militated against their development; but, on the other hand, an increased demand for their products has enabled them to surmount many obstacles. Among the industries implanted in this district may be mentioned the textile industries with all their dependencies, such as dyeing, bleaching, and finishing works; the cork industry, where the raw product is prepared for the markets of the world; chemical and metallurgical works. The extensive paper works of Catalonia are the most important in Spain, and the fishing industries of the district are highly developed.

There have been no transactions in the company's stock this week, but the fact that 9 is being bid without arousing interest on the part of holders may be taken as indicating a distinct improvement in view of the fact that last sales were at 8½ and that a low mark of 8 was registered a fortnight ago.

ILLINOIS TRACTION.

Although the October report of the Illinois Traction Company shows a large increase in the gross earnings of the radials, electric light, gas, water and other component concerns, the net profits were cut down by heavy increases in operating expenses, and in the face of 13.17 per cent. increase in earnings the net profits are actually 8.95 per cent. less than for October last year. The gross figures compare as $1,226,336 to $1,083,573, and the net as $404,185 to $440,377. The expenses and taxes rose from $643,196 to $823,150.

This steady gain in operating expenses over earnings that has been a feature of the later months of the year came too late to wipe out gains in net profits that had been established in the earlier months. For the ten months ending October 31, 1917, the gross earnings were $11,032,660, compared with $9,958,371 for 1916, and $9,067,187 for 1915. The expenses for the last two years, 1917 and 1916, compared as $7,198,367 to $6,220,617. The net earnings for 1917 were $3,834,412 as against $3,737,754 last year, a gain of 2.59 per cent.

BRAZILIAN.

Brazilian has continued to attract a fair amount of attention during the week with practically all sales at the minimum of 32. There has been nothing new recently regarding the company's affairs, which are evidently showing little change.

QUEBEC RAILWAY.

Quebec Railway made its appearance in the trading this week with a deal of four shares at the minimum of 15. For the past couple of weeks it has evidently been taking advantage of the restraint provided by the market regulation.

TORONTO RAILWAY.

A few shares of Toronto Railway have changed hands this week at the minimum of 60. In another column will be found an article dealing with the company's dividend outlook. On the strength of a director's statement it is announced that the usual dividend at the rate of 8 per cent. will be declared in the course of a few days, but there appears to be uncertainty as to the policy for the future.

WINNIPEG RAILWAY.

Winnipeg Electric has been one of the dead issues on the market this week, the minimum of 48 evidently affording a measure of restraint. Shareholders will read with interest the report of Professor Adam Shortt in connection with the B.C. Electric Company and the jitneys, the conditions faced by the two companies being somewhat similar as regards this modern competition of the traction competitor. It may be that following this report Winnipeg, as well as Vancouver and Victoria, may consider measures for the regulation of the jitney to improve the position of the street railway companies.

LIGHT AND POWER

Little attention has been given to Consumers' Gas recently. One transaction took place during the week at 148. It may be noted, however, that this price is one point above the official minimum and that recent quotations indicate that price bid without bringing out further offers.

The company has declared dividend No. 5 at the rate of two per cent. per annum for the year ended Sept. 30. The dividend is payable Dec. 1.

CIVIC INVESTMENT.

Comparatively light trading has taken place throughout the week in Civic Investment with the minimum price of 68½ prevailing in all cases.

SHAWINIGAN.

Light trading with business of twenty-five to fifty shares a day has taken place this week in Shawinigan. The minimum price of 107 has prevailed in all cases.

OTHER STOCKS

Little Better Spirit Is Indicated By Some Moderate Investment Buying.

Although it could not be said that the change in the market this week was material, there was undoubtedly a slightly better spirit displayed and this was evident in investment buying of a moderate character. This is taken by some of the brokers to mean that the end of the downward movement is being reached and that although it may be some time before there is any market revival the trend should not be to lower levels. Much will, of course, depend upon the world events in relation to the developments, but there is a growing feeling that the worst has been passed and there will be a new period of readjustment unless there should be further news from the theatre of war to undermine public confidence. The week's trading was broken to some extent by the Victory Loan half-holiday which was followed by noon closing on Thursday when there was a holiday for the traders in the United States in celebration of Thanksgiving.

A. MACDONALD.

An interesting article dealing with the dividend possibilities of the A. Macdonald Company will be found in this issue. The opinion is strengthening that there will be a distribution on the preferred after the turn of the year. The common stock has been inactive for several weeks.

AMES-HOLDEN-McCREADY.

The expected orders from the Government for boots for the Canadian soldiers have not yet been given, but The FINANCIAL POST was informed that Ames-Holden-McCready were not particularly anxious for any outside business, as the orders they were booking for spring and for immediate business assured them of practically all they could attend to until late next spring. Not only are the various fields showing large increase, but heavy buying in advance in the leather market makes it certain that the profits of the firm will be satisfactory. In the face of these conditions there are bright hopes for a dividend payment coming into effect early next year.

ATLANTIC SUGAR.

In the very difficult situation created by a scarcity of raw sugar, and the tying up of the supply market by the International Sugar Commission, the Atlantic Sugar Refineries continue to make their way steadily on to the year's end, when it is hoped a sufficient supply of raws will be available for the more pressing needs of the trade in Canada. For some weeks now no sugar has been released to the Canadian refineries by the commission, and all that Atlantic is securing was bought before the regulation came into effect, when it is understood this refinery and one or two more in Canada "stole a march" on the United States manufacturers, and bought up fairly heavily, considering the depleted condition of the market.

While it is anticipated that Atlantic will show far larger sales than the previous year, and very substantial profits, there is much uncertainty whether the business of this year can be repeated next year. Export shipments have been cut off since last August. When this will resume will depend on whether there is any surplus available for the Canadian mills. Not only this market may be cut off, but there is a feeling that consumption in Canada may be curtailed, as is discussed in another article in this issue, taking with it a regulation against the sale of candy.

B.C. PACKERS.

An important report bearing upon the salmon industry of the Pacific coast, particularly as regards the sockeye in the Fraser River district, has been made to the British Columbia government. It is pointed out that the industry is being constantly depleted by the taking of large catches in the lean years and the charge is made that American authorities have failed to accept offers of Canadian authorities to co-operate in taking steps to improve the situation. This is a matter of particular interest to shareholders of B.C. Packers. There has been no trading in the company's securities for some weeks.

The statement is heard on the street that the net profits of the British Columbia Fishing and Packing Company will be in excess of $500,000 for the current calendar and fiscal year. One year ago the net profits were $257,808, so that, assuming the correctness of the statement the company's earnings will be in the vicinity of 100 per cent. greater than in 1916. The capital of the company is $4,215,400 paid up so that the earnings mentioned would be running at the rate of around 12 per cent.

BELL TELEPHONE.

One share of Bell Telephone changed hands during the week at 130, the official minimum. This is the first transaction in the past two weeks, but offers some guide as to the standing of the stock.

CANADA BREAD.

The publication of the annual statement of the Canada Bread Company has not been marked by any activity in the shares of that company. Recent quotations indicate 15 asked for the common as compared with last sales at 13, but there is no interest shown on the part of bidders. The minimum on the preferred is 85, but there have been no sales for some weeks and no quotations are given.

CITY DAIRY.

The report from Ottawa to the effect that the Food Controller is contemplating further action with regard to milk distribution is of interest to the shareholders of City Dairy. It is stated that there would be a saving of $343,000 in Toronto and $1,500,000 in seventeen cities of the Dominion. The Milk Committee recommends that the maximum "spread," or difference between the price paid to the producer and the price charged to the consumer, should not be allowed after December 1 to exceed 5 cents per quart in the Maritime Provinces, Ontario and Quebec, and 5¼ cents per quart in Manitoba, Saskatchewan, Alberta and British Columbia. These maximum "spreads," or distributors' margins, represent the present charge for distribution under average conditions, and are intended to allow time for the adjustment of the milk-distributing business.

C. B. McNaught, President of City Dairy, stated to THE FINANCIAL POST on Thursday that he had not received a copy of the official report and that until he had this he would not care to discuss the proposals. However, he said that he did not think any action would be taken which would seriously affect the Company's affairs. He believes that the Food Controller has been satisfied that the distribution in Toronto is being efficiently handled.

The first sale of the Company's common stock this month took place during the week. The price was 30, showing no change. There were no dealings in the preferred.

CANADA CEMENT.

While sales of Canada Cement Co. up to the early fall were running ahead of last year by a fair percentage, THE FINANCIAL POST is informed that they have fallen off, and the early setting in of winter caused them to drop below those of the corresponding period of last year. The result is likely now to be that the total sales for this year will be about the same as for 1917. The company is still busy on the shell orders from the Imperial Munitions Board, and this will contribute materially to their profits for the year. There was fairly active selling this week, considering the sluggish condition of affairs, but both common and preferred held at the minimum, 57 and 90 respectively.

CANADIAN CONSOLIDATED CO.

An addition was made this week to the directorate of the Canadian Consolidated Rubber Company by the appointment of Andrew A. Allan to fill a vacancy that had existed for over two years. Mr. Allan is connected with a number of companies, and his wide experience should prove of value to the board of Consolidated. The company continues to show large increases over the corresponding period of last year, and this year will show by a very large margin the best in history.

CANADIAN WESTERN LUMBER.

The September statement of the Canadian Western Lumber Company showed another big falling off in volume of sales, the number of feet sold being only 7,799,396, as compared with 13,073,587 in September, 1916. However, the company is still quite obviously reaping the benefit of the much higher market for lumber products, the price realized having declined only from $208,878 to $192,142. It is interesting to note also that while there was a decline in the amount of lumber sold of 5,274,191 feet, there was an increase in the amount of lumber manufactured of 2,105,196 feet, the month's operations yielding an output of 13,231,983 feet. For the year from January to September there was an increase of 7,846,009 feet in lumber manufactured, a decrease of 1,021,398 feet in lumber sold and an increase of $500,689 in price realized.

DOMINION GLASS.

Some misgiving has been expressed lest the entry of a new glass company, the Consumers, with strong financial backing, might lessen the business available for the Dominion Glass Company, which in its own field has practically no rival in Canada. One of those in close touch with the company's affairs stated to THE FINANCIAL POST that there need be no anxiety, for two reasons: The Dominion Co. has been unable to handle all the business that has offered with Belgian and other imports cut off, while in addition, it has an advantage in a specially patented machine that dispenses with human labor in the blowing of glass bottles. The use of this it controls for this country. The present year's business is reported to be excellent and ahead of last year's. While the preferred dividend payments will continue there is no sign, it is understood, of any payment on the common.

DOMINION CANNERS.

The canning season is fast drawing to a close and there is a good deal of interest being displayed in the probable result of the year's business of the company. The present shortage of tin and the embargo placed thereon by the United States Government, while too late to influence this year's pack may have its effect on that of next year. If this shortage continues to grow more acute as it has been doing for many months past it will present a very serious aspect before the next canning season arrives. The Dominion Canners are apparently doing everything in their power to meet this situation. It is understood that they are not only going to rebuild the Simcoe plant, which was the can making plant of the company but to materially enlarge it and thus protect themselves from the danger of being unable to contract for cans. This will unquestionably stand them in good stead in the coming season's business.

GENERAL ELECTRIC.

Canadian General Electric passed another quiet week. Only 10 shares changed hands and this transaction was at the minimum of 101½.

MACKAY.

One of the features of the dull trading recently was the meteoric rise of Mackay common early in the week when that security, which has recently been traded around 71 and 72, jumped to 75 on the Canadian market and sold as high as 80 in New York; as high as 78 was bid in Toronto. Much of the gain was lost on the reaction, but in the late trading figures around 76 were being offered. The preferred also showed strength during the week and sold as high as 63.

There has been nothing to adequately explain the Mackay activity and brokers are inclined to attribute the boom to professional sources and to market operations rather than to any particular change in the position of the company or the value of the stock itself. Regular dividends on preferred and common were declared during the week.

ONTARIO NATIONAL BRICK.

The rather drastic proposals that were made to the bondholders of the Ontario National Brick Company last week, by which they were asked to provide at least $400,000 more in cash in the next sixteen months, or allow the concern to fall into the hands of a receiver, with a heavy loss that would be inevitable under present conditions in building, have met so far with acquiescence. The general inclination, so far as THE FINANCIAL POST has learned, has been to accept the lesser of two evils, and send "more good money" after the other, as the saying is, in order not to lose practically all they had put in. The reports that have been received thus indicate that the plan of reorganization will be adopted by the bondholders as presented by the President, J. N. Greenshields.

Nothing has been heard as yet from a possible class of bondholders, those who may object to the plan, and who would be wiped out completely without receiving a cent either for their bonds or the bonus stock they hold. It is expected that there will be a very few of these, and it was stated this week by those who are closely interested with the company that any amount that might be lacking on this account would be made up by a slight increase in the "levy" on the rest.

PETROLEUM.

With no sales recorded there was further improvement in the market for International Petroleum indicated this week by an advance in the quotations to $13 asked and $12 bid.

RUSSELL MOTOR.

No fresh developments have occurred during the past two weeks in conection with the Russell business. Work on the new shell contract is well under way and is progressing satisfactorily. The new Buffalo plant is also being rapidly shaped up for the handling of the United States contract. Russell securities are very quiet. The preferred has not been touched for several weeks, while a single sale of common at 50 was the extent to which the latter was traded in.

SMART-WOODS.

Smart-Woods stocks have again relapsed into a state of inactivity, there having been no sales of either common or preferred since last report. A slightly easier tone is indicated from the fact that at 60 the common is offered without interesting bidders. However, it will be noted that the great bulk of the advance from 54 to 61 a fortnight ago has been retained.

SHREDDED WHEAT.

The probability of the removal of any hard and fast restriction against the manufacture of package goods will have a very decided effect on this company which stood to lose all that they had fought for since the Canadian factory was started. It is stated on the authority of officials of the company that all excess profits had been used to further enlarge and equip the plant, and the imposition of the embargo would have practically put the product of the company off the market.

SHERWIN-WILLIAMS.

The first two months of the new year of the Sherwin-Williams Co. of Canada have turned out with an excellent showing, and Spring orders are coming in satisfactorily. The company during the year has greatly improved its position, not only for domestic orders, but through the establishment of a branch in Australia, and developing its export trade both from Canada and that country. In addition there is opening up a considerable demand for paint for shipbuilding. The regular quarterly dividend of 1¾% was declared this week, payable Dec. 31 to shareholders of record Dec. 15.

ARCHDEACON CODY APPEALS FOR UNION

Effects of a Wrong Decision By Canada

The Situation Not Only Justifies, but Demands Union

"The hearts and judgments of men are being tried to-day. If ever there is to be a time of all times when every citizen is in duty bound to use whatever influence he possesses in behalf of what he conscientiously believes to be the right, that time is here and now. For that reason, although in normal times I rather deprecate the idea of the clergy intermingling in political conflicts, I have no hesitation in announcing my hearty support of the Union Government, and in giving my reason for that support."

Thus Archdeacon Cody, whose renown as a preacher, pastor, and professor is literally Dominion-wide, and who enjoys a deservedly high reputation for sound and sure judgment, and for clarity of thought and vision.

"This," he proceeded, "is a time of crisis, the greatest in the world's history. In great crises there is a need for coalition of all national elements. Fifty years ago, at the time of Confederation, we had a coalition. But there is a far greater crisis to-day, in which not merely Canada and the British Empire, but world freedom, humane civilization, and Christianity itself, are all involved. A united front must, so far as practicable, be secured. All the belligerent countries, including the other overseas Dominions of the Empire, have felt this, and have acted accordingly in promoting Union Governments. Here, in Canada, there is no use in recrimination as to the date when union should have taken place. It is now an actuality.

Justifies and Demands.

"The present crisis is great and grave enough not only to justify, but to demand, a Union Government. I need only point to the Russian withdrawal and the Italian reverses; to the fact that the Pan-German programme is, at this moment, realized, so far as Europe is concerned; to the fact that in the West, where the forces of Canada and the United States are, we have the offensive and that there is the decisive line; to the need for determination and endurance to the end in view of the certainty that victory is achievable by strong, united, and efficient effort—and only so; to the truth that a great war can be greatly won by the morale of the whole people behind their fighting men. In addition, there are also great relevant problems—those of the returned soldiers, of financial readjustments after the war, of immigration, and of transportation—which would inevitably have necessitated united political effort, and for such the Union Government provides the requisite machinery.

"But the demand in the immediate present is for the vigorous prosecution of the war. We must not suffer ourselves to be diverted from the real issue, and so risk defeat, by dispersion of effort. The real issue is not the past conduct of the late Government; not the balancing of personal attachments or party loyalties; not the wisdom of exemption tribunals; not the high cost of living. It is how our men at the front may be best and most speedily backed up.

Must Stay in the War.

"Did Canada do right in entering the war? Is this OUR war? Is our future at stake in it? Are our shores being defended in France and Belgium? Are more men urgently needed? To all these questions an emphatic affirmative is the only answer. Then Canada must stay in the war, bear her share of the struggle and sacrifice, and see that the price which her sons at the front are paying is not paid in vain.

"And to accomplish this end there is absolutely no alternative to the enforcement of the Military Service Act. To secure this the Union Government must be supported. Sir Wilfrid Laurier distinctly pledges himself to the suspension of the Act, and its submission to a referendum. But what use is there in TALKING of winning the war if we are to omit DOING the only thing calculated to win it? We are not faced with a theory, but with a condition.

The Will to Win.

"The Union Government must be supported, moreover, because its overthrow would spell a weakening of the 'will to win,' which might eventuate in disaster and defeat, and in the destruction of the morale of the whole country. It must be supported as the best immediate way to bind Canada more closely to the Empire. It must be supported if we are to preserve unimpaired that high reputation for chivalrous service which our men at the front have won, and which has appealed so strongly to our fellow-dwellers on this continent, the citizens of the United States. What would be the effect in that country of a wrong decision on Canada's part now? It must be supported, finally, if, as a nation, we are definitely, determinedly, unitedly, and practically to renew our consecration to the great cause, and to proclaim to our friends and foes alike the unbroken resolve of the free young Dominions to remain in the fight for freedom, justice, mercy, humanity, civilization, and Christianity even unto the end."

Issued by the Unionist Publicity Committee. M. 5978.

TO WIN THE WAR FIRST AIM OF STANDARD OIL

Walter C. Teagle, the New President, Re-affirms Great Policies.

BUSINESS MUST MOBILIZE

Principle of Proper Publicity is Upheld by the Standard Oil Under Recent Policy of Closer Relations With the Public.

"The most important thing for every corporation in this country is the winning of the war. We shall do everything in our power to that end."

These are the words used by Walter C. Teagle, the newly chosen president of the Standard Oil Company, when recapitulating the policies of the biggest oil corporation in the world as set forth by A. C. Bedford, Chairman of the Board, and announcing his thorough accord with them.

"This war is essentially a petroleum war," went on Mr. Teagle. "Aside from munitions, nothing is more important for the winning of the war than oil products. And munitions are of no value unless they can be hurried to the battle-front on time."

"For the transportation of men, food and supplies oil products are necessary. They are needed not only by automobiles, but by ships, and they are needed especially for airplanes. In the last two years the demand for oil products has grown rapidly, and in the course of the war the demand will be still more urgent. Every producer and every refiner must work to his utmost to see that the needed products are at the disposal of the United States Government and her allies.

Importers of the Business Man.

"There is plenty of room in every business for any one who wants to enter it. We have no fault to find and no quarrel to pick with any competitor. I feel that any organization with capital, energy and brains can get business, but success lies in being so alert as to keep abreast, if not ahead, of the other fellow."

Mr. Teagle lays stress upon the duty of the business man during the war.

"Only as we prove our fitness to run business now will we be allowed to run it in the future," he said.

Danger in War Profits.

"We have no right at any time to tamper with the natural forces of supply and demand and no commodity that is so tampered with will be left alone long. Now, above all times, it should be remembered that selfish insistence on the part of even a few increasing their wealth by enormous war profits will do more harm to the nation and to democratic institutions than can ever be counteracted, even if later on they give their entire fortunes for the benefit of the country, because such conduct engenders class prejudice.

Again—The Business Men.

"The business men of the country are face to face to-day with a national duty and also the greater economic necessity of giving material aid to the Government in every way. It also devolves upon them to do everything in their power to prevent unrest and dissatisfaction, such as has been spread among us by Socialists and the I. W. W."

"It is a time when we must prove by our unselfish methods and our willingness to do public service that we should be permitted to handle the responsibilities in business that have been entrusted to us. The business men of the country must mobilize their resources to help fight the war."

Coming Closer to the Public.

It may be mentioned in passing that a change has come over the Standard Oil Company's policy during the past year and that officers of the corporation expect even greater changes in its relations to the public during the years to come. It has usually been considered the most cold blooded proposition in the business world. This popular belief has been held mainly because of the size of the corporation the wealth of its principal stockholders, the quickness and despatch with which it formerly disposed of competitors and the coldness with which it met inquiries as to its business.

The Press Welcomed.

Newspaper reporters from time immemorial sought unsuccessfully for information at the doors of 26 Broadway. Generally they have never got past the outer portals of the extreme outer guard. When A. C. Bedford was elected to the presidency to succeed Mr. Archbold last year every newspaper man in New York who was assigned to cover the story was surprised that he was able to get a look at the man who had been elected to the presidency and had the opportunity to talk to him personally.

"Whenever you have a question to ask me about Standard Oil come and see me," he said, to the open-mouthed astonishment of the men who were interviewing him.

But First—To Win the War.

That situation has been more or less true this year. The door has been at least partly opened. It has been greatly to the benefit of the Standard Oil Company, too, and no one knows it better than the Standard Oil Company directors. Mr. Teagle says that he is going to continue that policy.

"The Standard Oil Company has nothing to hide and our door is always open to any legitimate seeker after news," he said. "The company is essentially a public service corporation institution, and to-day more so than ever, because the only aim that any corporation should have now is to help win the war, and to that end we shall devote our efforts day and night."

DEPLETING RESOURCES OF SALMON INDUSTRY

Government Reports Indicates That Catches on Pacific Coast Are Too Large in Lean Years.

The need for careful governmental consideration of the Pacific coast salmon industry, particularly in the Fraser River district, is emphasized in the annual report of the Fisheries Department of the Province of British Columbia. It is indicated that during the past fourteen years there has been a record of depletion—of excessive catches in the lean years; a record, too, of the failure of the part of the authorities of the State of Washington to realize the necessity of conserving a great industry while on the other hand Canadian authorities have evidenced in unmistakable manner their willingness to deal adeadequately with the problem. Undoubtedly the prompt action of the authorities on both sides of the international line is now required if the great salmon industry is to be preserved to future generations.

The pack of the Fraser district in 1916 was the smallest ever recorded there, notwithstanding a notable increase in the pack of chum salmon, a species but little used in former years. The total pack on sockeye in the district was about 110,000 cases of which about 70 per cent. went to the canners in the State of Washington, regarding the whole situation the British Columbia *Financial Times* says:

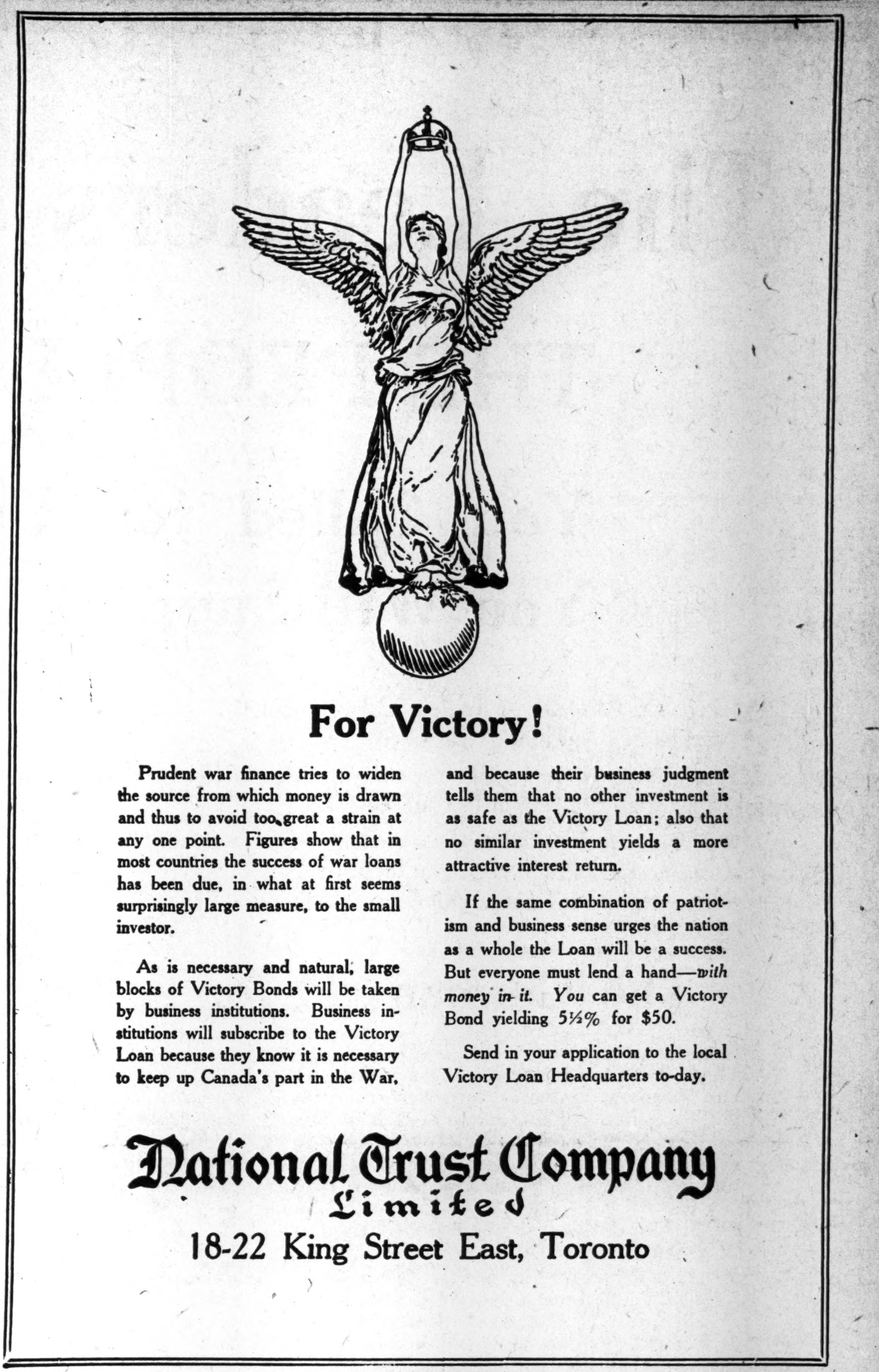
> The report gives a tabulation of the pack of sockeye salmon caught in the Fraser River District, in British Columbia and the State of Washington for the past eight years, which affords a comprehensive basis for an understanding of conditions in both Provincial and State waters of that district. It displays the vast difference in the catch in the big and the lean years for the entire district, as well as the great difference in the proportion of the catch in the State and Provincial waters, and also a decline in the run in the lean years. The pack for the years given includes the last two big years (1909 and 1913) and the last six lean years (1910, 1911, 1912 and 1914, 1915, and 1916). Together they constitute the last two four-year cycles of the run to the Fraser. The grand total for the eight years is 5,775,397 cases. Of which 1,939,488 cases, or 33.9 per cent. were packed in the Province and 3,815,909 cases or 66.0 per cent. in Washington. In every recent year, except that of 1915, the catch of sockeye in the State waters of the District has exceeded the catch in Provincial waters. The pack in the State in the two big years exceeded the pack from Provincial waters by 2,671,003 cases, or more than 100 per cent. The pack in the State in 1909 exceeded the combined pack in Provincial waters of the last two big years (1909 and 1913). The sockeye pack in the State in the six lean years exceeded the pack in Provincial waters in those years by 1,038,745 cases, or 157 per cent. The decline in the catch in the lean years is pronounced. The catch in Provincial waters in 1916 was 91,733 cases less than that of the previous fourth year, a decline of close to three hundred per cent. The pack in the State in 1916 was 105,420 cases, or 42.4 per cent. less than in the previous fourth year.
>
> It has been demonstrated in previous reports of the Department, and in the findings of two international commissions that the sockeye caught in the Fraser District, are predominately four years old, were hatched in the Fraser watershed and when taken were seeking to return to that river to spawn and die. It is therefore manifest that the catch in both the big and lean years are the product of the same spawning beds. The catches in the big years show the maximum product of the spawning beds,—the harvest that may be reaped four years after the beds have been abundantly seeded. The catches in the lean years show the minimum product of the spawning beds and are the natural result of a failure to seed these same beds abundantly.
>
> If the beds were as abundantly seeded in the lean years as they are in the big years, they would produce as abundantly.
>
> Since the beds were abundantly seeded in 1909,—a big year,—the catch in that year represented that proportion of the total run that was in excess of the number necessary to stock all the beds. The catch of 1913 was the product of the abundant seeding in 1909,—the natural result of that abundant seeding. Notwithstanding the fact that the catch in 1913 was very much greater than in any former year, investigation disclosed that a sufficient number of the fish escaped capture and passed above the fishing limits that year to have stocked all the beds as abundantly as in 1909.
>
> Throughout the negotiations between Canadian and the State of Washington authorities the former has urged the passage of restrictive measures for both Provincial and State waters. Following the investigation in 1905 of a joint commission representing the Dominion of Canada and the Governor of the State of Washington, the former approved the unanimous findings of that body and passed as recommended, an Order in Council which suspended all sockeye fishing in the Canadian waters of the Fraser River District during the years 1906 and 1908, conditional upon the legislature of the State of Washington passing an Act suspending all sockeye fishing in their waters of that district in both 1906 and 1908. The legislature of the State refused passage to such an Act, whereupon the Dominion Act was recalled.
>
> In 1908 Great Britain and the United States "Recognizing the desirability of uniform and effective measures for the protection, preservation and propagation of food fishes in waters contiguous to the Dominion of Canada and the United States," concluded a convention for that purpose and appointed an International Commission, consisting of one person named by each Government, to investigate conditions for the protection and preservation of food fishes. That commission agreed upon a uniform system for the protection, preservation, and propagation of the salmon in the Fraser River District. The Canadian Government promptly approved of the finding and announced its willingness to adopt for her waters the regulations provided. The Senate of the United States, after years of delay, refused approval and the convention was terminated. Canada's record on this vital question is clear and unmistakable. She has been and still is desirous of maintaining and building up the runs of the salmon to the Fraser. The record of the State of Washington is one of inaction.

Stock Movements of the Week

This table records securities active on the Stock Exchanges.

Week ending Nov. 29:

	Ask.	Bid.	High	Low	Close	Sales	Minimum Price
Banks—							
Dominion	202	...	202	202	202	25	202
Molsons	179⅞	...	179⅞	179⅞	179⅞	39	179⅞
Montreal	210	...	210	210	210	2	210
Royal	205	...	208	208	208	5	208
Union	137	136	136	136	136	69	136
Transportation—							
Brazilian Trac.	32	...	32⅛	32	32	527	32
Canada Steam., com.	39¼	...	39¼	39¼	39¼	120	39¼
Do., pref.	76	...	76	76	76	99	76
Canadian Pacific	135	134	134¾	134¾	134¾	25	...
Dul.-Superior, com.	42¼	...	42¼	42¼	42¼	10	42
Quebec Ry., L., H.	15	...	15	15	15	4	15
Toronto Ry.	60	...	60	60	60	6	60
Twin City, com.	69	68	73¼	68¼	69	291	...
Telegraph, Light and Power—							
Bell Telephone	130	...	180	130	130	1	130
Consumers Gas	...	148	148	148	148	25	147
Civic Invest.	68½	...	68½	68½	68½	281	68½
Mackay, com.	79	76¾	75	72½	75	25	...
Do., pref.	62½	60	63	60	62	71	...
Shaw. W. & P.	107	...	107	107	107	56	107
Industrials—							
Brompton Pulp	...	39	40	39	40	119	39
Can. Cement, com.	58½	58	58	57	57	38	57
Do., pref.	90	...	90	90	90	67	90
Can. Car, com.	18½	...	18½	18½	18½	10	18½
Do., pref.	50	...	49½	49½	49½	100	49½
Can. Cottons, com.	48½	...	48½	48½	48½	10	48½
Can. Cons. Rub., pref.	97	...	99¾	99¾	99¾	50	97
Can. Gen. Elec., com.	101½	...	101½	101½	101½	10	101½
City Dairy, com.	30	...	30	30	30	10	30
Dom. Bridge, com.	128	...	128	128	128	165	128
Dom. Iron, pref.	88	...	88	88	88	20	88
Dom. Steel Corp.	54	53½	53¾	53	53¾	1,033	52
Dom. Textile, com.	80¾	...	80¾	80¾	80¾	146	80¾
Do., pref.	100	...	100	100	100	3	100
Laurentide	152	...	152	152	152	26	152
Maple Leaf, com.	...	102	105	101	105	125	98½
Do., pref.	92	...	92	92	92	38	92
Mon. Knitting, com.	...	30	30	30	30	3	30
Ogilvie Flour, com.	140	...	140	140	140	5	140
Penmans, com.	65	...	65	65	65	20	65
Russel Motor, com.	50	...	50	50	50	5	50
Span. River P., com.	14	...	13	13	13	45	13
Steel Co. of Can., com.	50½	50¼	50¼	49¾	50¼	1,014	49½
Do., pref.	...	84½	85¼	84½	84½	23	85¼



For Victory!

Prudent war finance tries to widen the source from which money is drawn and thus to avoid too great a strain at any one point. Figures show that in most countries the success of war loans has been due, in what at first seems surprisingly large measure, to the small investor.

As is necessary and natural, large blocks of Victory Bonds will be taken by business institutions. Business institutions will subscribe to the Victory Loan because they know it is necessary to keep up Canada's part in the War, and because their business judgment tells them that no other investment is as safe as the Victory Loan; also that no similar investment yields a more attractive interest return.

If the same combination of patriotism and business sense urges the nation as a whole the Loan will be a success. But everyone must lend a hand—*with money in it.* *You* can get a Victory Bond yielding 5½% for $50.

Send in your application to the local Victory Loan Headquarters to-day.

National Trust Company
Limited
18-22 King Street East, Toronto

LE BERGER & CO.

New Company Formed for Manufacture of Macaroni.

A company has been organized in Montreal, Le Berger & Co., Ltd., to manufacture macaroni under a new drying process. The authorized stock is $199,000. The directors consist of G. L. Patenaude, president; R. Carignan, vice-president, both of the wholesale grocery firm of Patenaude & Carignan; Alfred Lecroix, secretary-treasurer; H. Legar, and G. B. R. Carignan. The new firm has bought out the business of Spinelli & Co., of Christopher Columbus Street, but will operate a new factory, with 10,000 feet of floor space, on St. Lawrence Boulevard. It is not likely that any public issue of stock will be made.

BIG SLUMP IN RAILWAY PROFITS CALLS FOR ACTION.

Continued from page 1.

creased by $854,000, from $2,496,500 to $3,350,500.

Inevitable result: net earnings dropped from $1,220,300 to $591,100 or far less than half, a net loss of $629,200.

Taking the three roads together the figures show:

	Dec. in net
C.P.R.	$620,037
G.T.R.	584,057
C.N.R.	629,200

Bringing this increased cost of operation down to another basis:

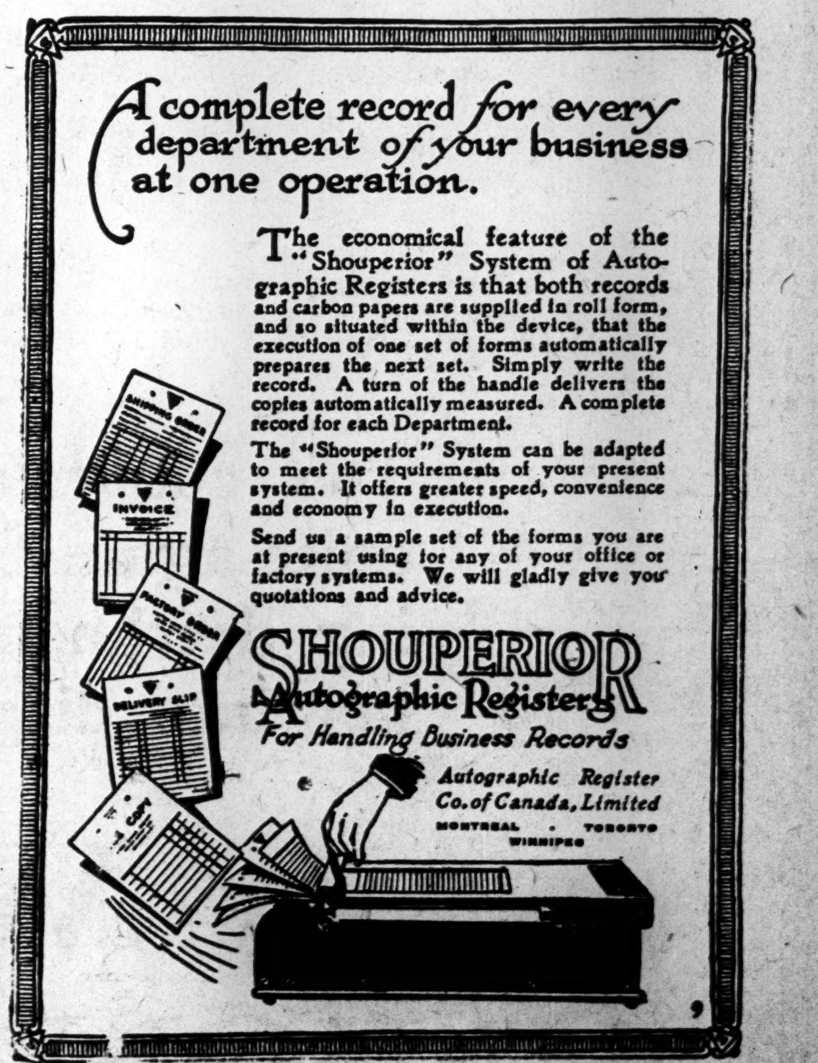
On the C.P.R. in October out of $100 in receipts, the operating expenses took nearly $66. In October of last year the cost of operation was only $57.

Month by month the situation grows worse. The railways of Canada are facing the wiping out entirely of their net profits. All the commodities they carry are charged at higher rates to the consumer—manufacturer and farmer alike, and the State recognizes that a large measure at least of the increased selling price is justified on account of the higher cost of production.

The railways are loaded with higher costs of production of their service to the public in heavy advances in wages, in coal, in the cost of equipment in every item in the list.

Yet they are refused any increase in their selling price.

In their dilatory action the Railway Board is simply exercising a legal authority that is not only without justification but approaches to conduct that is tyrannical.



A complete record for every department of your business at one operation.

The economical feature of the "Shouperior" System of Autographic Registers is that both records and carbon papers are supplied in roll form, and so situated within the device, that the execution of one set of forms automatically prepares the next set. Simply write the record. A turn of the handle delivers the copies automatically measured. A complete record for each Department.

The "Shouperior" System can be adapted to meet the requirements of your present system. It offers greater speed, convenience and economy in execution.

Send us a sample set of the forms you are at present using for any of your office or factory systems. We will gladly give you quotations and advice.

SHOUPERIOR
Autographic Registers
For Handling Business Records

Autographic Register Co. of Canada, Limited
MONTREAL · TORONTO
WINNIPEG

The Leaders Have United

THE PEOPLE MUST UNITE

You Called for Union Government—
You Will Support Union Government!

THE PURPOSE of Union Government is to overcome the forces of disunion.

It is to guarantee that while our sons advance in France and Belgium we shall not retreat in Canada.

It is to prevent domination by a single Province which has done little in the war, and to ensure at least proportionate authority to the other eight Provinces, which have done much in the war.

It is to dedicate Canada to service and not to faction, to patriotism and not to party, to freedom and independence, and not to the narrow interests of any race or creed or group or section or Province.

It is to ensure that those who are against the war shall not prevail at the polls, and that *Monday, December 17th, shall not be a day of humiliation and dishonor in Canadian history.*

The Germans Favor a Referendum

The Germans are in favor of a referendum in Canada. They are in favor of every attempt to excite farmers against compulsory selection. They are behind all those who seek to inflame labor against the most democratic and progressive Government that has ever held office in the Dominion. They are pleased when British patriots are driven from public platforms, and when stories of dissension and division in Canada are spread abroad.

That is the way Germany works. In proportion as the allied nations are divided Germany is strengthened. **If Canada hesitates Germany will rejoice.** The German people will be told that the first of the British Dominions is weary of the struggle. It will be declared that the war is shattering the British Empire. Canada will be ranked with Russia. Through the assurances given to Germans that the British Empire is not holding together, they will fight with new hope and confidence, the war will be prolonged, and the death roll among Canadians will be lengthened.

What would be our position if we should withdraw from the war and separate from the British Empire to-morrow? We would have slunk out of a conflict into which the United States has entered in sheer concern for freedom, humanity and civilization. We would be the only English-speaking community in the world unwilling to suffer and sacrifice for the elementary rights of mankind. We would desert our own sons in France and turn our backs upon 30,000 graves of those who went away at our appeal and died in our defence.

German agents have been active in the United States, in Australia, in Russia, in Italy and in every other country where they can make mischief and create division. Why do we imagine that they are not busy in Canada? Their method is to organize and support elements hostile to the war, or careless about it, to embarrass Governments engaged in its prosecution, to defeat measures necessary to strengthen the allied forces, and to direct attention to issues which have no relation to the war, but which divide classes and breed unrest and confusion.

The Union Government is a union, not an absorption. Its success in the elections will not be a victory for the Conservative party or the Liberal party. Its members have abandoned no principles, or sacrificed convictions. They are inspired by a common determination to reinforce the brave men at the front and employ all the energies and resources of Canada in the great struggle. They will hesitate at no measures necessary to care for those who will return from the trenches broken in health and maimed in body, and for their dependents, to whom the obligation of the State can never be fully discharged.

In the motley ranks of the Opposition are those who are against the war, those who would disorganize agriculture and business by renewal of voluntary recruiting, those who set sectional and racial considerations above national considerations.

The people demanded a Union Government. They have got it. It embraces all the Provincial and National leaders of the Liberal party but one. It includes all the Provincial and National leaders of the Conservative party. **Shall one man block the way?** Shall the people who called to the leaders to unite refuse themselves to unite in support of those who cast aside personal and party differences and prejudices in obedience to the people's demand and in loyalty to the great obligation which lies upon every Canadian patriot to fill up the ranks of the Canadian regiments, so sadly depleted in the long and desperate struggle against a brutal and arrogant despotism, and in defence of the institutions under which we have freedom and security.

The cool-headed Business Men of Canada will unite against the forces that, to the country's lasting detriment, would disrupt Canada and bring her into disgrace.

WORK FOR UNION GOVERNMENT

ISSUED BY THE UNIONIST PUBLICITY COMMITTEE

DIVIDENDS DECLARED.

The Hamilton Provident and Loan Society

DIVIDEND NO. 93.

Notice is hereby given that a Dividend at the rate of eight per cent. per annum has been declared for the half year ending December 31st, 1917, upon the paid-up Capital Stock of the Society, and that the same will be payable at the Society's Head Office, Hamilton, Ontario, on and after Wednesday, the second day of January, 1918.

The Transfer books will be closed from the 15th to the 31st of December, both days inclusive.

By order of the Board,
D. M. CAMERON,
Treasurer.

Hamilton, November 24th, 1917.

The Trinidad Electric Company, Limited

NOTICE is hereby given that a quarterly dividend to December 31st, 1917, at the rate of five per cent. per annum on the capital stock of the company has been declared.

Warrants will be issued and mailed to the address of each shareholder, and are payable at the Royal Bank of Canada, Halifax, N.S., on and after January 10th, 1918.

The transfer books of the company will be closed from the 1st to the 10th of January, both days inclusive.

By order of the board.
F. B. OXLEY,
Secretary.

The Bank of Nova Scotia

DIVIDEND No. 192.

NOTICE is hereby given that a Dividend at the rate of Fourteen per cent. per annum on the paid-up Capital Stock of this Bank has been declared for the quarter ending December 31st, and that the same will be payable on and after Wednesday, the 2nd day of January next, at any of the offices of the Bank.

The Stock Transfer Book will be closed from the 17th to the 31st proximo, inclusive.

By order of the Board,
H. A. RICHARDSON,
General Manager.

Halifax, N.S., November 20th, 1917.

Dominion Textile Company, Limited

NOTICE OF DIVIDEND

A DIVIDEND of one and three-quarter per cent. (1¾%) on the Common Stock of the DOMINION TEXTILE COMPANY, LIMITED, has been declared for the quarter ending 31st December, 1917, payable January 2nd, 1918, to shareholders of record December 15th, 1917.

By order of the Board,
JAS. H. WEBB,
Secretary-Treasurer.

Montreal, 23rd November, 1917.

The Canada Landed & National Investment Company, Limited

DIVIDEND No. 123.

NOTICE is hereby given that a Dividend of Two and One-quarter Per Cent. (being at the rate of nine per cent. per annum), on the amount paid up on the Capital Stock of this Company, has been declared for the quarter-year to the thirty-first day of December, 1917, and that the same will be payable at the office of the Company, 23 Toronto St., Toronto, on and after the second day of January, 1918, to shareholders of record at the close of business on the fifteenth day of December, 1917.

By order of the Board,
EDWARD SAUNDERS,
Managing Director.

Toronto, 21st November, 1917.

The Sherwin-Williams Company of Canada, Limited

NOTICE is hereby given that the Twenty-sixth quarterly Dividend of one and three-quarters per cent. (1¾%), being at the rate of Seven per cent. (7%) per annum, upon the Preferred Stock of this Company, has been declared, payable to Shareholders of record the Fifteenth day of December, 1917, and that cheques for the same will be duly mailed to them on the 31st day of December, 1917.

Books not closed.

By order of the Board,
J. H. GORDON,
Secretary-Treasurer.

Montreal, November 28th, 1917.

Belding Paul Corticelli Limited

DIVIDEND No. 12

Notice is hereby given that on the deferred Dividends of the Preference Stock of this Company, the Directors have declared a Dividend of 3½% payable on the 15th of December, 1917, to Shareholders of record at the close of business the 1st of December, 1917.

By Order of the Board.
D. R. KENNEDY,
Secty.-Treasurer.

November 21st, 1917.

PROF. SHORTT TAKES STAND AGAINST JITNEY

Report of Commission in Connection With B.C. Electric.

UNFAIR TO RAILWAY

Recommends That That Traffic Be Restricted in Districts Served By Street Cars—Encouraged in Districts Not So Served.

The report of Professor Adam Shortt, who was the commissioner under the Public Inquiries Act to investigate the economic conditions and operations of the British Columbia Electric Company, has considerable interest for holders of securities of public utilities and particularly traction enterprises which have had to contend with the operation of jitneys. He makes the general recommendation that where the jitneys are being operated in competition with the railway service they be restricted but that they be allowed to operate freely in districts where tramway service is not given.

Following a lengthy survey of the general situation and its particular applicability to the jitney and its effect upon the street railway service as a whole, Dr. Shortt observes, in part: "An open-minded examination of the jitney service as it at present exists should convince anyone that, while it may be a useful supplement to an electric railway service, it cannot possibly take its place. That it is possible for a trackless motor bus system installed and operated by a corporation with large capital and a highly organized and efficient staff to take the place of the street cars on well paved streets is quite admissible. But this is simply to change from one great public utility corporation to another, and the change might as easily be made by the present corporation, the British Columbia Electric Railway Company, as by any other company, in simply substituting motor busses for street cars, as in the case of the motor bus companies of New York and Chicago. This system, however, has nothing whatever in common with the existing jitney service except the one single feature that neither the jitneys nor the motor busses require tracks and trolleys. Whether the motive power should be in either or both cases electricity or gasoline is merely a matter of experiment and local cost.

No Stability.

"As is fully demonstrated in the origin and the expansion of the jitney service, it involves no rational foresight or organization, no special investment of capital in lines from which it cannot be readily withdrawn, no guarantees as to rates and no special arrangements to meet the permanent needs of the public—in a word, no responsibility whatever, either personal or corporate, to continue in adequate form a service which has become one of the most permanent and vital requisites of a modern city. The attorney for the jitneys makes a special point of this capacity of the jitney to suddenly appear in great force, as in the case of the Seattle and other street car strikes, and to fade away again. In Victoria, as the evidence submitted by the jitney interests will show, the jitneys operate indiscriminately as jitneys and taxi-cabs, their particular role at any given time is naturally determined by what fares can be collected under the one guise or the other. During the street railway strike, double fares were collected on the jitney routes.

Railway Responsible Service.

"On the other hand, a street railway system in a large modern centre of population is the product of years of organization and the investment of millions of capital in forms, the greater part of which cannot be converted to other uses, and is therefore at once a very heavy guarantee for the performance of its obligations and the highest possible inducement to afford where possible an acceptable service to the public, on whose favor it entirely depends. Were the street cars forced to discontinue, the citizens would be entirely at the mercy of an irresponsible service, both as to numbers in operation and fares demanded."

Arguments Weak.

Pursuing the same subject Dr. Shortt proceeds again in part:

Even should some form of motor service ultimately replace the electrical trolley, as argued by the jitney interests, it must be conducted as experience everywhere proves, either by responsible joint stock companies or municipal corporations. In either case the independent individual jitney owner, in whose interests the whole argument before the commission was presented, must be eliminated. It is difficult to see, therefore, what advantage there is in throwing out of employment that large and respectable class of citizens of Vancouver and Victoria and districts who constitute the employees of the British Columbia Electric Railway Company, merely to ensure the temporary support of a limited number of independent operators of jitney cars, who cannot guarantee, either for themselves or each other, that they will furnish a reliable service for the citizens of those districts, and who in turn must be supplanted by large and permanently responsible capitalist corporations. These in turn must develop other well-organized systems with a body of employees under normal and satisfactory conditions with the customary regulations as to hours, rates, and the many other forms, embodied in agreements between employers and employees.

Wreckage of Values.

"What demoralization the financial and commercial interests of the Coast cities must undergo, what wreckage of values of outlying residential properties, what hardships and inconveniences to the general body of citizens must be endured to effect the transition from one capitalist organization to another, through an irresponsible jitney interval, one can only leave to the individual judgments of those who would chiefly suffer."

Utility vs. Real Estate.

"It is very evident that the first condition of the B. C. Electric Railway Company as a transportation company, being able to comply with all the conditions of a revised charter acceptable to the city is that the company itself shall be able to exist at all. It is perfectly true that the company, in the face of the unfortunate economic conditions of the coast cities since 1914, must expect to face temporary economic sacrifices in common with other non-speculative institutions. It is, however, quite unreasonable to cite either the gains or the losses of real estate dealers as a basis of comparison with such a stable and such a continuous utility as a street railway service. That the operations of dealers in real estate must be continued without intermission no one will seriously suggest, but that the transportation needs of the citizens of a modern civic centre, who have adjusted their daily lives to this service should be carried on steadily and continuously, alike through periods of prosperity and depression, calls for no proof.

Resort to Taxes.

"Certainly nothing is more obvious from the facts as presented than that the company cannot continue its transportation service on the present basis, and it is useless to speak of certain very necessary improvements in the charter of the company without an assurance of conditions under which the company might continue to operate, if not at a profit, at least at no material loss. That the city cannot possibly conduct the business at a profitable rate on the basis approved by the Mayor is the conviction of the Commissioner, but with the citizens willing to support the programme of the Mayor neither the street railway employees nor the jitney interests would require to be sacrificed as in the carrying out of his plans such deficits as would arise could always be met from the taxes."

Lower Rates.

Taking up the question of the light and power situation, Dr. Shortt says: "In the face of the actual situation in Vancouver and district, as also in Victoria, there is every justification for an immediate lowering of the existing rates for domestic light and power. If this was followed up by an active educational canvass designed to bring home to the ordinary citizens the possibilities of electrical power in an increase of comfort and convenience and a consequent economy in time, energy, discomfort, and even money in many cases, the revenues of the company would in all probability be increased instead of diminished by the change."

Dominion Glass Company, Limited

DIVIDEND NOTICE.

NOTICE is hereby given that a quarterly dividend of one and three-quarters per cent. (1¾%) has been declared on the Preferred Stock of Dominion Glass Company, Limited, for the three months ending the twelfth day of December, 1917, payable Tuesday the first day of January, 1918, to shareholders of record at the close of business Wednesday the twelfth day of December, 1917.

By order of the Board,
MERVYN OFFER,
Secretary.

Montreal, 22nd November, 1917.

Tooke Bros., Limited

Preferred Stock Dividend No. 21

NOTICE is hereby given that a Dividend of 1¾% on the Preferred Stock of this Company has been declared for the Quarter ending 30th November, 1917, payable on December 15th, to Shareholders of record of the 30th November.

By order of the Board,
W. S. BARKER,
Secretary-Treasurer.

Montreal, November 21st, 1917.

ANNUAL MEETING

The Sherwin-Williams Co., of Canada, Limited

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the annual general meeting of the Sherwin-Williams Company of Canada, Limited, will be held at the Windsor Hotel (room 129), Montreal, Que., on Tuesday, the 11th day of December, at 2.30 o'clock p.m., to receive a statement of the affairs and financial position of the company, and for the election of directors, and for the transaction of such other business as may come before the meeting.

By order of the Board,
J. H. GORDON,
Secretary-Treasurer.

Montreal, November 15th, 1917.

URGES U.S. BOARD TO CO-ORDINATE BUYING

National Foreign Trade Council Submits Reasons to Wilson and Congress.

WASHINGTON.—Arbitrary price fixing by the National Government is advocated in a report to the President and to the Congress by the National Foreign Trade Council, which was made public last night. The council is composed of representatives of the leading commercial, industrial, financial and transportation institutions in the country.

James A. Farrell, president of the United States Steel Corporation, and fifteen other members of the council are devoting the major portion of their time to Government service at Washington, and it is from their labors that the new demand for governmental commodity rates comes.

The Council insists that production must be maintained at capacity and foreign trade fully maintained in order to prevent disturbances of credit.

As an essential to this end the Government is asked to fix prices at which the producers may sell their products and to make these prices upon the basis of the highest normal cost of production. In other words, the Government is asked to name prices at which the least favored concern can afford to manufacture and sell at a fair profit, and then to equalize the advantage that more favored producers will have under the rate by a system of profit taxation that will take from the institution that can make the largest profit the excess earned over his neighbors through the tax route.

"The relations of price fixing and taxation to the maintenance and development of foreign and domestic trade in war times is direct and of the greatest force. There cannot be too clear or appreciative recognition of this fact on the part of the Government.

"It is a natural, economic law that whenever the Government requires the total possible production of any article, whether for war or peace, it must pay such price for that article as will return a fair profit to the producer, otherwise, and if that producer cannot secure a fair return or profit upon his labor and investment, he will not labor or invest, and production is necessarily curtailed.

"In the arbitrary fixing of prices by the Government profits should be estimated upon the highest normal cost of production instead of upon some lower cost made possible by larger investment, broader experience, superior methods or any other cause tending to improve the efficiency of production.

U.S. RAILROADS.

Operating Committee of Eastern Lines Is At Work.

WASHINGTON.—Less than a week after the Railroad War Board decided to take the final step in exercising its authority under the general railroad agreement of last April, the new operating committee of the eastern railroads, of which vice-president Thompson of the Baltimore & Ohio is chairman, is at work in its offices at Pittsburgh. It is their job to see that the enormous traffic east of Chicago and north of the Ohio and Potomac rivers is spread evenly over all roads up to the maximum capacity of each, to put motive power and car capacity where it is most needed regardless of ownership, and to call upon the western roads for repair facilities, machine tools and men as they are required.

Thus the ambition of a few far-sighted railroad leaders who brought the Railroad War Board into existence last spring is in a fair way to be realized. Railroad men here are obviously elated over what has just been done. They express the utmost confidence that all the roads affected are now voluntarily doing everything that any Sultan of Transportation could do and that, while a few days ago the country was on the brink of a Government seizure of the railroads, that dangerous complication of the great war problem is now definitely averted.

MAY FIX SUGAR RATIONS FOR CANADA

Conferences With Candy Makers and Food Controller—No Raws Yet From International Commission.

Drastic regulations are expected by some of the sugar refineries that will result in a system of sugar rations for Canada and the prevention of most of the manufacture of candies. Both the refiners and confectionery manufacturers have been called in conference by the Food Controller, THE FINANCIAL POST understands. While the raw sugar supply is somewhat larger than last year, Canada is by no means sure of her normal supply. Some of the candy men complain that raw sugar is used in the making of alcohol, and that other less necessary ingredients could be utilized.

In any case, the Canadian refiners so far have found it impossible to secure any of the old crop of raws from the International Commission, and have had to depend on contracts made months ago. No export of sugar has taken place from Canada since last August, so that the output of Canadian refineries is now restricted considerably.

FRIDAY'S PRICES.

Following are Canadian stock transactions at Friday morning's session:

	High	Low
Maple Leaf, pfd.	92	92
Steel of Canada	50¼	50¼
C.P.R.	132¼	132¼
Twin City	68	68
Steamships, pfd.	76	76
Dom. Steel	53½	53½
N.S. Car, pfd.	17	17
War Loan (1925)......	95½	95½
Do (1937).....	93½	93½
Do (1931).....	95	95
Dominion Bank	202	202

AVERAGES SHOW STEADY DECLINE IN WHEAT CROPS

Continued from page 1.

land, Canada, United States, and Algeria, is given as 2,558,000,000 bushels, or 116.3 per cent. of the 1916 crop of these countries, and 114 per cent. of a five-year average, 1911-1915.

Tractors and Fertilizers.

The move on the part of the Prairie Provinces to send out training gangs for the operation of tractors is a move that should be emulated in the East. Many manufacturers are ready to donate engines for this purpose. Conscripting labor to the farms, then, should be systematically begun. Not a farm boy should be allowed to work in a munition factory. He must show his time cards on the farm.

The carrying of fertilizers and machinery to the country points for immediate use in the spring should be done early. There is need of phosphates on many of our farms to increase our yields of wheat, beans, and potatoes.

REVIEW OF MARKET FOR MINING SHARES

Name.	Capital Authorized	Capital Issued	Week ending Nov. 29			Close Nov. 29	
			High	Low	Sales	Asked	Bid
COBALT STOCKS—							
Adanac	$ 2,500,000	$2,250,000	.15	.13	10,850	.13½	.13
Bailey	5,000,000	4,250,000	.05	.05	13,500	.05¼	.04⅞
Beaver Cons.	2,000,000	2,000,000	.31	.30	3,300	.31	.30½
Buffalo Mines .. .	1,000,000	1,000,000	...	...	....	...	...
Cham.-Ferland . .	2,500,000	2,312,850	.11	.11	2,000	.11	.09½
Coniagas	4,000,000	4,000,000	3.00	3.00	100	3.15	3.00
Crown Reserve ...	2,000,000	1,999,957	.24	.21	1,200	.24	.22
Foster	1,000,000	915,588	...	...	....	...	.01¾
Gifford	250,000	....	.04	.03½	12,000	.04	.03¾
Great Northern ..	1,500,000	1,500,000	...	...	....	.05	.04
Hargraves	2,500,000	2,500,000	.09¼	.09	19,200	.09⅛	.09
Hudson Bay	25,000	7,761	...	...	....	.40	...
Kerr Lake	3,000,000	3,000,000	5.30	5.30	20	5.15	4.85
La Rose	7,500,000	7,493,135	.40	.35	1,000	.42	.38
McKin.-Dar.-Sav. .	2,000,000	2,247,692	.62	.60	8,100	.61	.59½
Nipissing	6,000,000	6,000,000	8.00	8.00	625	8.25	7.85
Ophir	685,000	....	.11½	.10¾	4,000	.11	.10½
Peterson Lake ...	3,000,000	2,401,820	.15	.09	31,400	.15½	.15
Right of Way .. .	2,000,000	1,685,500	.04½	.04½	500	.04⅞	.04½
Seneca-Superior .	500,000	478,884	.02	.02	1,000	.02	.01½
Temiskaming	2,500,000	2,500,000	.26½	.25¼	12,200	.25½	.25¼
Trethewey	2,000,000	1,000,000	.13	.13	4,100	.13½	.12
Wettlaufer	1,500,000	1,416,590	.05½	.05	1,400	.06	...
PORCUPINE STOCKS—							
Apex	2,000,000	1,300,000	.05¾	.05½	8,000	.05½	.05¼
Dome Cons.	2,500,000	1,250,000	...	...	....	...	...
Dome Extension. .	3,000,000	2,200,000	.10	.09⅛	5,200	.10¼	.09
Dome Lake	2,000,000	1,227,017	.14	.14	960	.15	.14
Dome Mines	5,000,000	4,000,000	7.00	6.65	2,085	6.65	6.60
Foley-O'Brien .. .	3,000,000	2,500,000	...	...	....	...	...
Hollinger	3,000,000	3,000,000	5.25	5.00	2,497	5.05	5.00
Jupiter	2,000,000	1,867,786	...	...	....	...	...
McIntyre	3,000,000	2,999,995	1.35	1.32	7,900	1.34	1.33
McIntyre Extension	2,500,000	2,000,000	...	...	....	...	...
Porcupine Crown..	2,000,000	2,000,000	.24	.21	1,900	.24	.22
Porcupine Imperial	2,000,000	1,409,200	...	...	....	.02	.01¾
Vipond	1,500,000	900,000	.20¼	.18¾	3,600	.21	.20
Preston E. Dome.	3,000,000	2,000,000	...	...	....	.03½	.03¼
Schumacher	2,000,000	....	.45	.44	2,000	.47	.43
Teck-Hughes .. .	2,000,000	2,000,000	...	...	....	.29	...
West Dome Con...	3,000,000	2,000,100	.13¾	.13½	7,000	.14	.13½
MISCELLANEOUS—							
Can. Min. & Smelt.	10,000,000	8,427,500	.25	.25	65	.25	...

YOUR DUTY
in the War is to buy a
Victory Loan Bond
Yielding—5½%
SUBSCRIBE NOW
John Stark & Co.
504 Royal Bank Bldg., Toronto

Albert E. Dyment & Co.
(Members Toronto Stock Exchange)
Stock Brokers
402 Dominion Bank Building
TORONTO

ROYAL BANK OF SCOTLAND
Incorporated by Royal Charter 1727.
Paid-up Capital - - £2,000,000
Rest & undivided profits £800,986
Head Office
St. Andrew Square, Edinburgh.
Cashier and Gen. Manager, A. K. Wright, Secretary, J. B. Adshead.
London Office, 3 Bishopsgate, E.C.
Wm. Wallace, Manager.
Glasgow Office, Exchange Square.
A. Dennistoun, Agent.
167 Branches throughout Scotland

Banking business of every description transacted. Accounts opened and agency business undertaken for Foreign and Colonial Banks and other financial establishments. Bills, Cheques and other documents collected. Drafts, Circular Notes and Letters of Credit issued—available throughout the world. Cable transfers are also made. Deposits received at interest repayable at call or at notice. Correspondence invited.

The UNION BANK OF AUSTRALIA, Ltd.
Established 1837. Incorporated 1880.
CAPITAL:—
AUTHORIZED and ISSUED £6,000,000
Paid-up Capital..£2,000,000
Reserve Fund....£1,980,000 Together £3,980,000
Reserve Liability of Proprietors........£4,000,000
Total Capital and Reserve £7,980,000
Head Office: 71, CORNHILL, LONDON, E.C.
DIRECTORS.
HENRY P. STURGIS, Esq. (Chairman).
The Rt. Hon. the Earl of Chichester.
John Dennistoun, Esq.
Hugh D. Flower, Esq.
Charles A. Galton, Esq.
S. R. Livingston-Learmonth, Esq.
William R. Mewburn, Esq.
The Hon. A. R. Mills, M.P.
Robert C. Nesbitt, Esq.
Frederick G. Parbury, Esq.
Sir Westby B. Perceval, K.C.M.G.
Manager—ARTHUR C. WILLIS.
Assistant Manager—WILLIAM J. ESSAME.
The Bank has 41 Branches in VICTORIA, [illegible] in NEW SOUTH WALES, 19 in QUEENSLAND, 14 in SOUTH AUSTRALIA, 22 in WESTERN AUSTRALIA, 3 in TASMANIA, and 44 in NEW ZEALAND. Drafts upon these Branches are issued by the Head Office, and may be obtained from the Bank's Agents throughout the world. Commercial and Circular Travelling Credits issued — available throughout the world. Cable Transfers are also made. Bills on the Australian States and Dominion of New Zealand are purchased or sent for collection.

Northern Crown Bank
HEAD OFFICE, WINNIPEG
Capital (authorized) - $6,000,000
Capital (paid up) - - $1,431,200
Rest and Undivided Profits $848,554
DIRECTORS.
President, Capt. Wm. Robinson.
Vice-President, Jas. H. Ashdown.
W. R. Bawlf, A. McTavish Campbell, Sir Douglas Cameron, K.C.M.G. E. F. Hutchings, John Stovel.
General Manager - Robert Campbell
A GENERAL BANKING BUSINESS TRANSACTED
V. F. CRONYN
Manager - - - - - Toronto Branch

MONEY, BANKING AND EXCHANGE

WESTERN CITIES WELL AHEAD OF PREVIOUS YEAR

In the East the Returns Again Show a Decided Falling Off.

DOMINION GAINED .2 %

Toronto Clearings Were Lower by $2,792,498 and Montreal $7,095,483—Fort William, New Westminster, Calgary and Brandon Show Gains.

Returns of bank clearings for the week ending Thursday last, as reported to THE FINANCIAL POST, showed a gain for the Dominion of $9,268,810 or 3.2 per cent. over the figures for the corresponding period in 1916. As compared with the figures for the previous week there is a falling off of $12,405,572. In the West the clearings amounted to $112,269,832, an increase of $17,689,315, or 18.7 per cent. and in the East there was a decline of $8,419,505 or 5.1 per cent., the amount for the week being $156,115,540 compared with $164,535,045 in 1916. Toronto showed a marked falling off, the decrease over the figures last year being $2,792,498, and a decrease over the figures for the previous week of $4,144,122. Montreal showed a decline of $7,095,483, or 8.3 per cent., Ottawa being the only other city in the East to show a decline. In the West the cities to show the largest percentage gains were Fort William 47.1 per cent., New Westminster 38.5, Calgary 33.5 and Brandon 29.8 per cent. while Victoria, Lethbridge and Medicine Hat showed a falling off. For the year to date clearings total $11,542,781,705, an increase of $2,141,145,819 or 22.7 per cent.

WEEKLY BANK CLEARINGS.
(In comparison with same week last year.)

Eastern Cities.

	Nov. 29, 1917.	Change.	%
Montreal	$ 78,244,242—	$ 7,095,483	8.3
Toronto	53,841,647—	2,792,498	4.9
Ottawa	5,017,469—	237,043	4.5
Hamilton	5,015,046+	436,192	9.5
Quebec	4,471,218+	310,735	7.4
Halifax	2,937,138+	115,883	4.1
London	2,027,111+	114,451	5.9
St. John	1,846,287+	193,927	11.8
Brantford	900,290+	251,838	39.3
Peterboro	685,903+	173,157	33.8
Sherbrooke ...	549,853+	13,205	2.4
Kitchener	579,336+	96,131	20.0
Total, East..	$156,115,540—	$ 8,419,505	5.1

Western Cities.

	Nov. 29, 1917.	Change.	%
Winnipeg	$ 75,293,821+	$ 11,343,798	17.7
Vancouver ...	9,316,037+	1,937,284	26.2
Calgary	9,893,200+	2,483,351	33.5
Edmonton	3,513,204+	560,551	19.0
Victoria	1,463,502—	233,224	13.8
Regina	4,570,597+	673,565	17.3
Saskatoon	2,395,938+	95,492	4.1
Moose Jaw ...	1,824,459+	241,257	15.2
Ft. William...	967,679+	309,927	47.1
Brandon	807,957+	185,917	29.8
Lethbridge ...	1,102,971—	4,587	.4
N. Westm'ster.	352,310+	97,936	38.5
Medicine Hat .	768,157—	1,952	.2
Total, West.	$112,269,832+	$ 17,689,315	18.7
Grand total..	$268,385,372+	$ 9,269,810	3.2
Yr. to date.	$11,542,781,705+	$2,141,145,819	22.7

Bank clearing returns for November for the City of Sherbrooke totalled $3,204,834, compared with $2,541,473 for November in 1916, a gain of $663,361.

MONEY.

In both London and New York call money has ruled easier this week. In London the rate has eased during the week from 4 per cent. to 3¾ per cent., while in New York it has ruled for the most part at 3 per cent.

In New York trading in time money shows slightly more activity, particularly in mixed funds, though dealings are still on an exceedingly restricted scale. A few loans have been negotiated on half-and-half collateral for sixty days at 5¼ per cent. and for four months at 5½ per cent. Industrial money is quoted 5½ per cent. to 5¾ per cent. for sixty days; 5¾ per cent. for ninety days, four, five, and six months. Mixed money is 5¼ per cent. to 5½ per cent. for sixty days; 5½ to 5¾ per cent. for ninety days, four, five, and six months.

EXCHANGE.

It has been a quiet and rather uninteresting week in international exchange. Demand sterling opened at 4.7517 to 4.7520, fell back on Wednesday to 4.7512 to 4.7517, but was stronger yesterday at 4.7517. Francs were slightly weaker at 5.74¾ and 5.72½ for cheques and cables respectively. Roubles have held fairly steady. Opening at 12.50, cheques advanced to 13.60, afterwards reacting to 13.00. Cables went from 12.75 to 13.75 and back to 13.25.

New York funds went to a discount on Tuesday and Wednesday, but for the rest have held at par or better. Grain bills came in this week, which occasioned the depression, but buying power was good and the movement was not extensive. While buying power is still in evidence, no immediate funds seem to be available.

NOVA SCOTIA.

H. W. Robertson, formerly accountant at the Sackville branch of the Bank of Nova Scotia, is reported as being killed in action.

DOMINION.

The Dominion Bank has declared its regular quarterly dividend of 3 per cent., being at the rate of 12 per cent. per annum, payable January 1st.

B. N. A.

The West Toronto branch of the Bank of British North America are making additions to their premises on Keele St. The work of excavating at the rear of the building commenced during the week.

H. B. Mackenzie, general manager of the Bank of British North America, who returned recently from a trip to the Pacific Coast, speaks of the conditions of Western Canada at the present time as being wonderfully satisfactory. "During the course of my trip," stated Mr. Mackenzie, "I stopped off at several of the principal cities, and while there it appeared to me that the three Northwest Provinces have a wonderful and significant opportunity offered them just now to put their house in order. There is no doubt of the prosperity in the West. I believe that the West should apply itself assiduously to clearing off all indebtedness and tuning up its financial machine, for it is patent that those who have the fewer liabilities are the ones who are going to ride the easiest, come what may. In Vancouver and Victoria conditions are gratifying. Industry is thriving, but the province seems to see its greatest opportunity for the future in shipbuilding. At the present time this industry is undergoing a period of activity and many wooden vessels have been started and completed."

BANK OF ENGLAND.

The weekly statement of the Bank of England shows the following changes:—Total reserve, increased £46,000; circulation, increased, £604,000; bullion, increased, £650,320; other securities, decreased, £616,000; other deposits, increased, £146,000; public deposits, decreased, £649,000; notes reserve, increased, £98,000; Government securities, increased £79,000. The proportion of the bank's reserve to liability this week is 19.40 per cent.; last week it was 19.32 per cent. Rate of discount, 5 per cent.

FEDERAL RESERVE BOARD.

Interesting Features of Weekly U.S. Bank Statement.

Gains of 20.4 millions in gold reserves and 21.9 millions in total cash reserves, together with increases of 54.2 millions in investments and of 31.8 millions in net deposits, are indicated by the weekly bank statement issued by the Federal Reserve Board as at close of business, November 23, 1917.

During the week the Government redeemed large amounts of certificates of indebtedness, thereby strengthening the reserve position of the banks. On the other hand, heavy withdrawals of Government deposits from depositary banks apparently increased the pressure on the Federal reserve banks, causing an increase of discounts largely at the New York bank. The latter bank reports a decrease of 26 millions in reserve and of 27.8 millions in Government deposits. Its investments show an increase of 17.1 millions, while an adverse balance of 58.9 millions shown the week before in account with other Federal reserve banks has been turned into a favorable balance of 9.5 millions. The bank disbursed during the week $112,232,750 to the allies, 55 millions going to Great Britain, 40 millions to France, 15 millions to Italy, $1,329,750 to Russia, and 1 million to Belgium. Boston's decline of 14.3 millions in reserve is due largely to the heavy withdrawals of Government funds, while Chicago's decline of 12.3 millions in reserves is accompanied by an increase of 21.7 millions in investments.

FAMINE IN PENNIES.

Shortage of Copper Coins in the United States

NEW YORK.—The famine in pennies recently reported from various parts of the country is the more surprising in view of the fact that the Government coinage of one-cent pieces has been much larger in recent years than in any earlier period of the history of the country. A compilation by the National City Bank of New York shows that more than one billion one-cent coins had been manufactured by the Government and distributed to the people during the last dozen years. In fact, the out-turn of one-cent pieces in the last decade forms one-third of the total since the beginning of our present form of government.

The bank's statement on this subject shows that the number of one-cent coins manufactured by the Mints of the United States from 1793 to the end of the fiscal year 1916 was 2,804,000,000, while the number issued in the last decade alone is, in round numbers, one billion. Even in the single fiscal year 1916 the number of one-cent pieces coined was 101,230,317, while in the high record year 1910 the total number turned out was 152,846,218. The number of pieces coined never touched the 100,000,000 line prior to 1907, the total for that year being 108,138,618; and the annual average since that time has been nearly 100,000,000 per year.

RUSSIAN BANKING.

Effect of Developments Upon the State Institution.

Although the activities and professions of the Bolsheviki element in Petrograd would seem to place in extreme jeopardy the great resources of the State Bank of Russia, it should be borne in mind that that institution no longer carries such a large proportion of its gold stock in its vaults as it did before the war. Whether it was in anticipation of such eventualities as have now arisen or not, the fact remains that during the past three years a considerable portion of the bank's gold was being steadily accumulated outside the country, probably in London, so that now nearly two-thirds of its total cash, including silver, lies outside the country and away from the immediate control of the Bolsheviki.

ANALYSIS OF BANK STATEMENT FOR SEPTEMBER.

Immediately Available Liquid Reserves.

	Oct., 1917	Sept., 1917	Change in month.	Oct., 1916.	Change in year.
1—Specie	$ 74,950,907	$ 69,848,795+	$ 5,102,112	$ 67,260,588+	$ 7,690,319
2—Dom. notes	137,650,486	121,691,837+	15,958,649	122,667,047+	14,983,439
4—Gold reserve ...	80,770,000	64,870,000+	15,900,000	35,660,000+	45,110,000
9—U. K. Banks ...	16,257,037	13,841,655+	2,415,382	29,594,786—	13,337,749
10—Foreign banks .	57,314,452	56,492,760+	821,692	71,159,159—	13,844,707
11—Govt. securities.	191,939,668	142,698,962+	49,240,706	40,759,416+	151,180,252
15—Call loans	151,018,747	166,480,004—	15,461,257	189,346,216—	38,327,469
	$ 709,901,297	$ 635,924,013+	$ 73,977,284	$ 556,447,212+	$153,454,085
Loans and Securities Other Than Those of Canadian Government.					
12—Pub. securities .	$ 172,639,288	$ 176,015,496—	$ 3,376,208	$ 163,380,276+	$ 9,259,012
13—Railway secur. .	56,890,787	58,894,390—	2,003,603	66,000,404—	9,109,617
14—Canadian call ..	71,653,719	72,421,187—	767,468	90,412,023—	18,758,304
16—Current loans ..	883,986,860	855,306,953+	38,679,907	774,928,222+	109,058,638
17—Loans abroad ..	93,821,865	87,265,325+	6,556,540	79,459,621+	14,362,244
18—Loans to Govt...	....	1,790,151—	1,790,151	12,728,655—	12,728,655
19—Prov. loans	7,695,949	5,430,535+	2,265,414	1,476,240+	6,219,709
20—Municipal	41,204,781	42,721,563—	1,516,782	37,613,530+	3,591,251
	$1,327,893,249	$1,299,845,600+	$ 28,047,649	$1,225,998,971+	$101,894,278
Other Assets.					
21—Overdue debts ..	$ 6,278,574	$ 5,984,058+	$ 294,516	$ 7,168,022—	$ 889,448
22—Real estate	5,828,100	5,710,062+	118,038	5,189,876+	638,224
23—Mortgages	1,736,512	1,719,231+	17,281	1,668,119+	68,393
24—Premises	51,107,191	51,188,669—	81,475	49,903,526+	1,203,665
25—Lets. of credit ..	17,320,366	17,258,539+	61,827	9,710,875+	7,609,491
26—Other assets	2,210,292	2,478,085—	267,793	2,639,874—	429,582
	$ 84,481,035	$ 84,338,644+	$ 142,391	$ 76,280,292+	$ 8,200,743
Total	$2,122,275,581	$2,020,108,257+	$102,167,324	$1,858,726,475+	$263,549,106
3—Note cir. dep. ..	5,764,060	5,761,342+	2,718	6,856,837—	1,092,777
5-8—Int. bank bal..	116,838,413	100,701,743+	16,136,670	103,356,976+	13,481,437
Gross	$2,244,878,054	$2,126,571,342+	$118,306,712	$1,968,940,288+	$275,937,766

LIABILITIES TO THE PUBLIC.

Liability to Government and Circulation.

	Oct., 1917	Sept., 1917	Change in month.	Oct., 1916.	Change in year.
1—Circulation	$ 189,852,907	$ 177,589,268+	$ 12,263,639	$ 145,031,667+	$ 44,821,240
2—Dom. Govt.	62,025,194	19,888,938+	42,136,256	40,991,302+	21,033,892
3—Prov. Govt.	22,510,190	21,392,853+	1,117,337	21,051,899+	1,458,291
Deposits by Public.					
4—Demand dep. ...	$ 495,058,449	$ 451,749,532+	$ 43,308,917	$ 489,230,234+	$ 5,828,215
5—Savings dep. ...	985,790,850	966,393,541+	19,397,309	814,297,404+	171,493,446
Total Can.	$1,480,849,299	$1,418,143,073+	$ 62,706,226	$1,303,527,638+	$177,321,661
6—Foreign	181,799,457	180,535,043+	1,264,414	166,200,928+	15,598,529
Due to Banks Abroad, Etc.					
9—U. Kingdom	$ 4,215,158	$ 2,860,387+	$ 1,354,771	$ 3,434,098+	$ 781,060
10—Foreign	19,640,869	21,030,174—	1,389,305	13,625,715+	6,015,154
11—Bills payable ...	3,488,412	3,683,524—	195,112	4,714,793—	1,226,381
12—Acceptances	17,320,366	17,258,539+	61,827	9,710,875+	7,609,491
13—Other liabilities.	4,616,150	3,600,098+	1,016,052	4,523,784+	92,366
Public liability..	$1,986,318,002	$1,865,981,897+	$120,336,105	$1,712,812,699+	$273,505,303
8—Due betw. banks	9,170,956	10,408,394—	1,237,438	9,886,295—	715,339
Gross	$1,995,488,958	$1,876,390,291+	$119,098,667	$1,722,698,994+	$272,789,964

Robert Cassels W. G. H. Browne

Cassels, Browne & Co.

Members Toronto Stock Exchange

318 Dominion Bank Building
TORONTO

Direct Private Wire to New York, Chicago and Washington.

WESTERN CANADA:
Canadian Pacific Railway
FARM LANDS

Improved and Unimproved. In settled districts. Near Railroads. Easy terms.

J. H. Smith, Land Agent
504 C.P.R. Bldg. Toronto. Dept. F.

The Mercantile Agency
R. G. DUN & CO.

Consult us before extending credit or if customers are delinquent.

Canadian Offices:

Halifax, St. John, Quebec, Montreal, Ottawa Toronto, Hamilton, London, Winnipeg, Regina Moose Jaw, Saskatoon, Calgary, Edmonton Lethbridge, Vancouver, Victoria.

Address enquiries to

R. G. DUN & CO.
Dominion Bank Bldg. Toronto, Can.

B. N. ROSENBAUM & CO.
80 Wall St., New York

This office negotiates large loans, discounts the sale of securities for Automobile accessory, Industrial and Realty Projects.

Watch Your Investments

There is no investment on earth you can buy and put away, and go off and forget about. Every day there goes on a readjustment of security values, and it is safer to know something about what you have your money in—or can put it in.

The successful investors use Standard Card Reports to keep in touch with the endless shifting in security values.

Available now to individuals on all listed Canadian and American corporations at 50 cents each. Banks and Brokerage firms have used these Standard Card Reports for fifteen years.

Address
Standard Statistics Co.
47 West St., New York City

Individual vs. Corporation Management

Integrity, responsibility, good judgment regarding investments, knowledge of the law respecting trusteeship, executive ability—and these sustained without interruption—are necessary under modern conditions before a trustee can be considered wholly competent.

All of these qualifications can be rarely found in a friend or individual.

THE STERLING TRUSTS CORPORATION possesses all of these essential qualifications of a competent trustee, including assured existence throughout generations of beneficiaries.

The Company will afford complete protection to your estate if appointed executor and trustee under your will.

Our officers will be glad to confer with you in regard to the making of your will or the management of your estate.

THE
STERLING TRUSTS CORPORATION
HERBERT WADDINGTON Managing Director
80 KING ST. EAST · TORONTO
Telephone Main 2717

THE ROYAL BANK OF CANADA
INCORPORATED 1869

Capital Authorized - -	$ 25,000,000
Capital Paid Up - -	12,911,700
Reserve and Undivided Profits,	14,324,000
Total Assets - - - -	311,000,000

HEAD OFFICE, MONTREAL

365 Branches in Canada and Newfoundland
Thirty-eight Branches in Cuba, Porto Rico, Dominican Republic, Costa Rica and Venezuela

BRITISH WEST INDIES

ANTIGUA—St. John's; BAHAMAS—Nassau; BARBADOS—Bridgetown and Speightstown; DOMINICA—Roseau; GRENADA—St. George's; JAMAICA—Kingston; MONTSERRAT—Plymouth; ST. KITTS—Basseterre; TRINIDAD—Port of Spain and San Fernando; TOBAGO—Scarborough; BRITISH HONDURAS—Belize; BRITISH GUIANA—Georgetown, New Amsterdam and Rose Hall (Corentyne)

LONDON, ENGLAND
Bank Bldgs., Princes St., E.C.

NEW YORK CITY
Cor. William and Cedar Sts.

BUSINESS ACCOUNTS CARRIED UPON FAVORABLE TERMS.
SAVINGS DEPARTMENT AT ALL BRANCHES.

For Highest Security and Remunerative Investment buy

Victory Loan Bonds

British 2¾% Consols once reached over 112%. What are the possibilities of Canada's 5½% gilt edge securities when the war is won?

(Space contributed by Montreal Trust Company)

THE ROYAL TRUST COMPANY
EXECUTORS AND TRUSTEES
HEAD OFFICE, MONTREAL.
Capital Fully Paid, $1,000,000. Reserve Fund, $1,000,000.

BOARD OF DIRECTORS.
Sir Vincent Meredith, Bart., President.
Sir H. Montagu Allan, C.V.O., Vice-President.

R. B. Angus
E. W. Beatty, K.C.
A. D. Braithwaite
E. J. Chamberlin
H. R. Drummond

Sir Charles Gordon, K.C.B.E.
Hon. Sir Lomer Gouin, K.C.M.G.
C. R. Hosmer
Lt.-Col. Bartlett McLennan, D.S.O.
A. E. Holt, Manager

William McMaster
Major Herbert Molson, M.C.
Lord Shaughnessy, K.C.V.O.
Sir Frederick Williams-Taylor

TORONTO BRANCH - - - - - - - - - - 59 YONGE ST
BRUCE L. SMITH - - - Manager

Going Overseas?

To those going overseas, whether in a military or civil capacity, to do their bit, or to those who contemplate spending the Winter away from home, and who may need a strong reliable corpration to look after their affairs in their absence, we offer the suggestion that they leave a Power of Attorney in our favor. It will relieve them of all the details and worries incidental to looking after their Estates. Compared with the relief afforded and the service rendered the charge would be small and the satisfaction great. Interviews invited; correspondence solicited. All business treated as strictly confidential.

THE STANDARD TRUSTS COMPANY
346 MAIN STREET - - WINNIPEG

The impartiality of the acts of a TRUST COMPANY and its freedom from improper influences are some of the advantages offered by

THE MANAGEMENT OF ESTATES

We will gladly discuss this matter with you.

CAPITAL ISSUED AND SUBSCRIBED $1,171,700.00
PAID-UP CAPITAL AND RESERVE 860,225.00

The Imperial Canadian Trust Co.
EXECUTOR, ADMINISTRATOR, ASSIGNEE, TRUSTEE, ETC.

HEAD OFFICE: WINNIPEG.
BRANCHES: SASKATOON, REGINA, EDMONTON, CALGARY, VANCOUVER AND VICTORIA.

Mercantile Trust Company of Canada
LIMITED
Hamilton, - - - Canada

Acts as Executor, Administrator and Trustee. Administers Rea Estate.

We have special facilities for handling property in the Niagara Peninsula.

Cyrus A. Birge, *President* S. C. Macdonald, *Manager*

5% AND ABSOLUTE SECURITY

Over 200 Corporations, Societies, Trustees, or Individuals have found our Debentures an attractive investment. Terms one to five years.

THE EMPIRE LOAN COMPANY, Winnipeg, Man.

Transfer of Shares

Incorporated Companies should use the services of a Trust Company for the transfer of their share certificates. The services of this Corporation as Stock Transfer Agent will be found most convenient and reliable. Write for particulars as to charges, etc.

THE
TORONTO GENERAL TRUSTS CORPORATION
Established 1882 Capital and Reserve, $3,250,000.00
Head Office: 83 Bay Street, Toronto

NEWS AND VIEWS FOR MANAGERS

DEVELOPING PROSPECTS BY CHEQUE ROUTE

Farm Produce Buyers as a Factor in Securing New Accounts.

THE "HELLO, TOM," METHOD

Managers Who Have Been Successful in Farming Communities Have Different Ways of Securing New Accounts.

While bank managers who have made a success of their farm savings accounts departments are practically unanimous in their ideas as to cultivating prospects I find that there is a great difference in the methods in which they transform a prospect into a customer. These different methods appear to depend upon several factors in addition to the different conditions which may prevail from the prospect's standpoint; the policy of the bank, the personality of the banker himself and whether he is a newcomer in the field or well acquainted are all possible influences. It would not be advisable here to give definite advice as to a method which might be successfully followed as a matter of policy—much depends, as I have intimated, upon the banker, the prospect and the circumstances—but in the opinions of managers who have made a success in their own way there may be inspirations for others, remembering that with the great majority there are no two opinions about the necessity of reaching an intimate, friendly relationship with the farmer as the proper foundation. Having become acquainted with the prospect outside the bank there arises the question of how to get him into the bank and how to treat him after he comes there so as to secure and retain his business.

Getting Cheques Circulated.

"The average farmer will cash a cheque at the bank upon which it is drawn. That little piece of psychology has been a very important factor in the success I have had in getting new accounts," explains a banker who advocates the more aggressive methods. This manager believes in cultivating friendly personal relations with the farmer—in fact, he has been responsible for some of the ideas which have been developed in this column along those lines—but he says: "Getting on good terms with the prospect in a social way does not necessarily bring him inside my door; my scheme, and it is probably not unique, is this:

"I have secured the accounts of a hog buyer and a buyer of dairy products. These men pay for their purchases with the cheques of this bank. Then, as I have pointed out, the majority of those receiving the cheques come here to have them cashed. If I can't get an account from that man when he is in my bank and has money in his hand, then I have small chance of ever succeeding with him."

The "Hello, Tom!" Spirit.

But, as previously intimated, there are other methods, less aggressive, which are being employed with success. One of the most successful managers in the farm account field in Ontario—who for many years has been studying his territory and the individual prospects it contains—tells me that in all his experience he has never used the direct request for an account. His idea has been to make the farmer his friend, to develop the personal link until it results in business relations. This banker has "banked" on his personality and he has been successful because of that personality where others might easily fail. Watch him at work for a moment.

In his bank you may count on meeting a number of farmers at almost any hour that the institution is open. There will be one or more customers in his office and others waiting to get in, and there will be still others coming in and out. Now, not only will this manager endeavor to be very agreeable to the man at the other side of his desk—and he is spontaneously cheerful and pleasant—and not only does he give them impression that for the time being he is only concerned with that man's personal affairs, with the state of the crop, with the price of hogs, with the ailment of a sick horse, or whatever else may be the subject at the top of the customer's mind, but he will, at the same time, be on the lookout for others who come in and out, and with whom he takes opportunity to pass the time of day or the nature of the weather, and incidentally, as it were, he attends to the bank's business of the moment.

"I try to speak to as many as possible of those who come into the office," he explains. "I am not able to have them all come inside here, but a great deal can be done with a pleasant smile and a 'Hello, Tom!' through the side door here. When talking with customers there is usually some development necessitating my going out into the main office. I always like to pass the time of day with those in sight. If in connection with the business in hand there is no natural opportunity for an occasional lookout, then I find no trouble in making an excuse if I think there are people outside I want to greet—always using judgment, of course, in relation to the importance of the matters being discussed. My experience has been that the farmer likes to bank where he feels at home."

Behind tne methods of the managers referred to is, of course, the fundamental idea of winning and holding business on the basis of service rendered. Various plans for the development of new accounts would amount to little if the prospect were not convinced that the bank and its manager were giving the necessary attention to his affairs.—J. W. T.

THE CUSTOMER'S ATTITUDE.

Some Applicants for Loans do not Like it to be Known.

Conversing with a banker in a small town, this thought was brought out:

"My customers," said the banker, "do not like to be seen talking with a bank officer. They fear that other people who see them thus engaged will at once jump to the conclusion that they are asking for a loan. So the officers of our bank occupy private offices where they can not be seen by the public. Not infrequently people who apply for loans enter and depart by the rear door."

What a gulf this reveals between the bank officer who has "favors" to dispense in the shape of credits and the customer who has "favors" to ask in the shape of loans!

If our country banker is correct in his appraisal of the feeling of timidity which possesses the applicant for a bank loan, it must be that the seeker for bank credit considers himself about on a par with the man who enters a pawnshop with his wife's wedding ring.

Perhaps this exaggerates the matter somewhat, but undoubtedly the person who asks for credit at a bank, at least until he gets accustomed to the process, does feel awed as in the presence of superior power.

It is really a case of putting the cart before the horse. Whatever may be the standing of an individual depositor or borrower, in the aggregate they are much stronger than the bank itself. The bank depends more upon them than they do upon the bank.

Are the banks desirous of keeping the people in awe of them to the extent that the above statement would indicate? It is not believed that they have any such purpose. In fact, this barrier between banker and customer is gradually disappearing, and in the larger and more progressive banks it no longer exists. In such banks there is a realization that the banker and his customer are partners in the business of life—that the interests of one, in the long run, are those of the other.

There is no justification for the element of fear in the mind of any man who applies for a bank credit to which he is legitimately entitled, and the live banker certainly wishes his customers to entertain no such feelings, for he understands well enough that there must be no obstacles to the frankest and friendliest relations between the bank and those who deal with it.

MOTOR CAR INDUSTRY.

Reduction of Automobile Output Not So Drastic As First Considered.

NEW YORK.—The entry of the motor car manufacturers into the making of war products under the guidance of the War Industries Board has resulted in a condition of uncertainty in the automobile industry. The Government a few weeks ago threw the industry into confusion by demanding that passenger car output be reduced 60% by the first of the year, and in the automobile centers of Michigan close to 100,000 men were laid off by automobile manufacturers and parts makers. Conditions of several companies in recent months have been none too good and the supply of labor throughout the industry for the first time in years has been well in excess of the demand. Whereas eight months ago there was a demand for 8,000 dwelling houses in Detroit over and above the available supply, recently over 5,000 houses were reported vacant.

With the closing of munitions contracts by the various companies, however, the labor situation is gradually righting itself, as the shops increase their forces.

REBUILDING THE SAVINGS ACCT. AFTER WAR LOAN

Making Constructive Use of the Victory Loan Campaign.

INSPIRATION TO SAVERS

Bank Managers May Well Call Depositors' Attention to Fact That It Is Their Duty to Save for Nation's Further Needs.

With the conclusion of the Victory Loan campaign bank managers will have an opportunity of analysing the effect on the accounts in their savings departments. How can these accounts best be built up again? An effective answer can be given in the loan itself. In other words the cause can be used as a cure to a large extent. There can be no doubt that the high tide of savings was attained largely by the Victory Loan wave—that people increased their deposits in view of the approaching call of the government—and there can be no doubt that they will do so again if they are educated to understand that, with a continuation of the war, the government will have to float further loans and that from the standpoint of loyalty to the country and from the standpoint of material prosperity for the people these loans will have to be made a success largely by the savings of the individual. There are many features of the situation which the branch manager should consider in viewing his depleted deposits.

There has probably never been so great a force in the education of the people regarding finance and investment as the war loan campaigns. A bond has become something that every man and woman understands. Further, every man and woman has come to appreciate that these bonds are good to have and that their savings are important in the material welfare of the nation. The money from this loan will practically all be spent in Canada. It will come back to the people and if they are properly educated as to the need for thrift it will find its way back into the savings accounts again to await another call of the government if such is necessary.

But the necessity for saving for another loan may not be brought home to many. The bank manager who takes action in this direction will undoubtedly get results. On every hand there are inducements for the individual to spend his or her money; there are few inducements to save. Effective advertising along this line would undoubtedly bring results but a communication from the manager to the customer would probably have even greater influences. How about a letter like the following:

> Dear Sir:
>
> We note from your account that you have been a liberal supporter of the Victory Loan. You have made an excellent investment, and your money will not only be a factor in the success of the great cause, but will also be a factor in sustaining Canada's prosperity.
>
> But the end is not yet in sight. There may be further loans required by the Government. The money which has now been lent to the nation will be spent in Canada, and will circulate back to the people. Now is the time to start saving for the next loan, should the Government have to make another call upon the people. Canada must not only pay her own way, but she must be prepared to give credit to the Mother Country, and these things she can well afford to do while high prices prevail for our surplus of natural and manufactured products. The individual at home must save for his country as the man in the trenches fights for it.
>
> We can at this time assure you of continued service in the various departments of this institution.
>
> Yours very truly,
>
> Manager.

U. S. RAILROADS.

Big Increase in Taxes Reduces September Net Earnings.

WASHINGTON.—September was the fourth month this year in which the net operating income of the railroads of the United States fell below that of the corresponding month of 1916, but it was the first month in which the net fell below the level of the same month in 1915. Against an increase of $27,000,000 in gross revenue, transportation expenses increased $30,000,000, whereas maintenance of way was only $1,500,000 and maintenance of equipment only $7,000,000 more than in September, 1916.

Taxes loomed large in September, as in that month the roads began to figure in their war taxes. One or two of them, notably the Southern Pacific, charged in September taxes three-fourths of the estimated war taxes for the year; that is, the portion accrued up to the end of that month. As a result, the September taxes for all roads show an increase of $11,000,000 over the year before. But even before deducting taxes, net revenue was still $8,000,000 below 1916 and only $3,000,000 ahead of 1915, though in September, 1915, gross revenue was $71,000,000 less than in the same month this year.

For nine months of 1917 gross earnings were $317,000,000 ahead of that of the same months of 1916 and $783,000,000 ahead of 1915. Operating income (net after taxes) was $50,000,000 behind 1916 but $159,000,000 ahead of 1915.

Comparing this year with last, the $317,000,000 gain in gross was more than eaten up by an increase of $367,000,000 in expenses and taxes. The full year will see, perhaps, a gain of $400,000,000 in gross and an increase in operating expenses alone of $450,000,000. What taxes will be it is stfil hard to estimate, but the year's increase in that item will likely run to $75,000,000. So the prospect is that the roads will have $125,000,000 less return to show for handling $400,000,000 more business.

TO INCREASE FUEL.

Bituminous Operators and Workers Sign Agreement.

U.S. Fuel Administrator Harry A. Garfield has been advised of the final acceptance by both operators and mine workers of the southwestern bituminous coal field of the Fuel Administration's penalty clause. The automatic penalty clause, which is an effective safeguard against any suspension of coal production by reason of labor disputes, was made a part of a general wage agreement between workers and operators in the southwestern field following a thorough discussion of its provisions by a convention of the mine workers at Kansas City.

The acceptance of the penalty clause in the southwestern field extends its provisions to practically all of the bituminous producing fields. Through the efforts of the Fuel Administration all danger of any considerable halt in the production of bituminous coal through labor difficulties has thus been eliminated. The Fuel Administration is satisfied that the patriotic co-operation of both mine workers and operators, so thoroughly exemplified in the general acceptance of the penalty clause agreement, can be depended upon to increase the bituminous coal output all along the line.

Telegrams from both operators and mine workers in the southwestern field notified the Fuel Administration of the settlement of the dispute over the penalty clause, and Fuel Administrator Garfield in replying congratulated both sides on the patriotism evidenced by the final agreement. "Mother" Mary Jones, who attended the convention at Kansas City, reported to Fuel Administrator Garfield on the proceedings of the meeting.

With the labor situation in this satisfactory condition the Fuel Administration is now directing its efforts toward providing ample transportation facilities. Steps will be taken to insure an adequate supply of coal cars, in order that the mines may not be hampered in their efforts to increase production.

UNLISTED SECURITIES.

	Bid	Asked
Abitibi Power, pref.	80.00	87.00
Atlantic Sugar, 6's	.....	85.00
Belding-Paul, com.	10.00	14.00
Do., pref.	76.00	80.00
Brompton Pulp	.....	39.00
Black Lake, com.	1.00	3.00
Do., pref.	.....	4.00
C. P. R. Notes	.....	103.00
Can. Cereal & Flour	.....	1.00
Can. Machinery, pref.	45.00	52.00
Can. Oil, pref.	80.00	.....
Cockshutt Plow, pref.	68.00	75.00
Dom. Iron, 5's (1939)	75.00	80.00
Dom. Linseed Oil	70.00	.....
Dom. Permanent Loan	66.00	70.00
Dom. Power, pref.	90.00	96.00
Dom. Sugar	115.00	125.00
Dunlop Tire, pref.	89.00	95.00
Eastern Car, pref.	.....	55.00
Goodyear Tire	175.00	195.00
Home Bank	63.00	66.00
Imperial Oil	340.00	370.00
Macdonald, A	12.50	13.50
North Amer. Pulp	3.25	3.50
Mex. Mahogany, com.	.....	11.00
Nat. Drug, 7%, pref.	80.00	.....
Ontario Pulp, bonds	79.00	83.00
People's Loan	85.00	92.00
Sovereign Life	10.00	17.00
Steel & Rad., com.	.....	15.00
Do., pref.	.....	60.00
Do., bonds	.....	63.00
Sterling Bank	80.00	88.00
Stand. Reliance ($50 par)	47.00	50.00
Sterling Coal, com.	8.50	11.00
Toronto Paper, 6's	85.00	90.00
Universal Steel	15.00	22.00
West. Can. Flour, com.	90.00	115.00

VICTORY LOAN

Buy More Bonds To-Day

Patriotic Firm of Manufacturers Vigorously Co-operates in Victory Loan Campaign

Cowan Co., Limited

Manufacturers of Cocoa and Chocolate take up $100,000 in Bonds. Employees also contribute over $25,000 to the Big Loan.

Enthusiasm in the big Victory Loan campaign has been widespread throughout the business institutions of Toronto, but it is doubtful if there has been anywhere a more united and vigorous effort in one factory than at the extensive plant of the Cowan Co., Ltd., manufacturers of cocoa and chocolate.

By its splendid example, in subscribing $100,000 to the loan, the firm has given its employees a stimulus which has spread throughout the great plant until even the humblest members of the institution have been caught in the tide of enthusiasm. "Saving made easy," seems to have been the motto followed by Mr. H. N., Cowan, the President, and through the firm's generosity young girls and boys will learn to acquire habits of thrift and saving which will go far toward the future prosperity of their own homes and of the country.

Since the beginning of the war the Cowan Co. has been in the forward rank of supporters to all patriotic causes. No appeal, whether for the Patriotic Fund or Red Cross, has been turned aside but on the contrary has received the most hearty support. Instead of selfishly attempting to hold back men who had seen years of service in its employ, the Cowan Co. encouraged recruiting by offering their enlisting married men full pay and single men half pay from the day they left the shores of Canada for service overseas. As a result of this principle a sum of some ten thousand dollars has already been paid out to the families of men serving at the front and every day that the war continues this sum continues to grow in size.

The war itself has emphasized, as possibly no other combination of circumstances could have done, the great food value and nutritive qualities of chocolate and cocoa. No box of home things sent overseas to the soldier is complete without chocolate in some form, and it is probable that there is absolutely no other article which does so much to relieve the monotony of soldier diet in the trenches and at the same time brings such qualities of nourishment as the humble bar of chocolate.

A returned officer, wounded in the fighting of the summer of 1916, expressed himself most emphatically during the past week in this regard. His statement was that "the war could have been fought without chocolate, but it would have been much harder." Many a weary and dangerous hour in shell-hole or rain-soaked trench has been rendered more endurable by the little bar of chocolate which the gallant soldier has secreted in his pocket as a sort of extra emergency ration, and every returning man bears testimony to the fact that no matter how questionable may be the value of some articles sent in kindness to the fighting men, the chocolate is always welcome.

The growing shortage of sugar has brought more and more to be realized the fact that sugar is a necessity creating heat and fats, but the fact remains that when incorporated with chocolate and kindred products the sugar becomes very greatly enhanced in value as a palatable and sustaining food.

The Cowan Company has not been slow to grasp these facts as their special packages and preparations for overseas show most plainly, and every employee has felt that he or she is a real producer of food for the soldiers, quite as much as though they were engaged in some of the more generally recognized branches of food production.

It is these very employees who are now setting such a fine example to others in coming forward with their subscriptions to the VICTORY LOAN. Self-denial, saving, contribution of their fruits of sacrifice to the assistance of the Government. All of these have been borne in mind and if others throughout the country will rally in like fashion to the great cause there will be no doubt about reaching the limits which have been set, or even a demand for an increase in the extent of the people's great free-will offering in aid of the Allied cause.

CANADIAN-PACIFIC

THE FINEST HUNTING GROUNDS IN AMERICA

ARE CONVENIENTLY REACHED

via

CANADIAN PACIFIC RAILWAY

Moose Bear Caribou
Red Deer and Small Game

ARE QUITE PLENTIFUL

Particulars from Canadian Pacific Ticket Agents or W. B. HOWARD, District Passenger Agent, Toronto

THE FINANCIAL POST OF CANADA

President - - - - - JOHN BAYNE MACLEAN
Vice-President - - - - - - - H. T. HUNTER
Manager - - - - - - - - - R. G. DINGMAN

A weekly newspaper, presenting in a popular manner reliable information respecting investments and financial affairs in Canada.

No paid advertising, other than annual reports or official notices of corporations, will be inserted in the news columns unless marked "Advertisements."

Advertising matter is investigated before publication, and none of known questionable character is accepted. Acceptance of advertising will not deter the editorial department from making such comments as the situation may demand.

ADVERTISING RATES:

Single insertion ....$ 1.50 per inch
Yearly insertion .... 40.00 per inch
Financial Reports, Prospectuses, etc., 15 cents per agate line.

SUBSCRIPTION PRICE:

Canada and Mexico ....$3.00 per annum
United States .... 3.50 per annum
Great Britain, Ireland and Colonies having minimum postal rates .... 12s. 6d.
France and other Countries .... 16s. 6d.

Subscribers are especially requested to report any instance of delay or non-delivery of THE POST.

Published by

THE MACLEAN PUBLISHING COMPANY, LIMITED

143-153 University Avenue, Toronto.
MONTREAL, Southam Building, 128 Bleury St., H. M. Reid; WINNIPEG, 1207 Union Trust Building, C. W. Byers; BOSTON, 733 Old South Bldg., C. L. Morton; NEW YORK, Room 620, 111 Broadway, R. B. Huestis; CHICAGO, Room 900, Lytton Bldg., 14 E. Jackson St., A. H. Byrne; GREAT BRITAIN—London, The MacLean Co. of Great Britain, Ltd., 88 Fleet St., E.C., E. J. Dodd, Director.

Toronto, December 1, 1917.

PROTECT VICTORY BONDHOLDERS.

IT cannot be too strongly impressed on the authorities at Ottawa and those more particularly concerned with the nation's finances, that, in the interests of future loans, steps should be taken at once to maintain the price of the Victory Loan bonds at par. There is a belief in certain quarters that within a few weeks these bonds can be bought at from two to four points below the issue price. Already we have heard of a case, in which a large block of 1925 bonds was to be picked up, converted into Victory Bonds and offered at 98.

If such an undesirable development is permitted to occur, and if small investors, who have been argued into buying by the assurance that they can get their money back at any time, find that they have been deceived, it will mean that many new investors will receive such a bad opinion of government bonds that they will not buy again.

While it is true that thousands of people, who bought third loan bonds at 96 and saw them drop to 93½, have come back loyally and invested in Victory Bonds, yet these were mostly people who had had experience in the bond business before and were not deceived by a temporary depression. The case will be different, however, with those who are now putting their small savings into Victory Bonds. They should and must be protected.

The remedy is easy,—a prohibition of the sale of bonds under a certain fixed minimum. This regulation could be enforced as a war measure and it would work no hardship to anyone, except perhaps the unpatriotic few who are declining to buy now in the expectation that they can pick up the issue at bargain levels a little later on.

OUR ALLIES AFTER THE WAR.

COLONEL A. T. THOMPSON, formerly M.P. for Haldimand, continues to write interesting editorials for *The Military Gazette*, from England, where he is stationed on duty. In the latest issue he refers to the constant accession of new Allies. When little countries like Siam, Peru, Costa Rica, throw in their lot with us, many are inclined to smile at their unimportance in the great conflict. Colonel Thompson deals with the situation from the practical standpoint and no doubt voices the feeling of the British and Canadian soldiers in Europe. He says:—

"But what is it likely to mean on the material side? That is something worth looking at, too.

"After the war Canada will find herself shouldered with a great debt. A large revenue will have to be raised, and we shall need the development of all our resources to win through. Now the agricultural side will be well attended to from the very fact that food stuffs are bound to remain high for some years. We still have vast areas of cheap land, which, with assured high prices, will attract many to our shores, and send many more, already there, 'back to the land.' But what of our manufacturing classes? Deprived of their big munition orders, there will certainly be a reconstruction period during which they will to some extent be sufferers. A prosperous agriculture will mean an ability to buy manufactured goods, on the part of the farmers, and that will help much. But be assured as the agriculturalists increase in number and wealth, so will their political power, and with that will come a lowering of the tariff, which, in turn, will mean a larger importation of foreign made goods, and, proportionately, less work for our factories.

"How are we to meet this? Surely by an energetic development of foreign trade. In Canada we have abundant raw material, with plenty of coal and water powers, added to which we may rely on a clever and industrious manufacturing population. With these advantages, surely it should not be impossible largely to develop our foreign trade. And that is where, materially speaking, the friendship of Siam, to be reached by water from our B.C. ports, and of Brazil and Peru and Uruguay, is going to come in.

There German trade will be entirely lost, for a time at least, and if we can produce equally good articles at anything like the same price, the friendly atmosphere will give us the market.

"Some may say that these countries will know only Britain, France and the United States in this conflict, that Canada is too small a factor to count. That might have been so, before the war, it will never be so again. The deeds of her sons have made the name of Canada well kenned in lands which before 1914 had never known her, and a ready welcome will await our traders in the ports of our new found friends."

THE uncertainty regarding the dividend of Toronto Railway—an uncertainty which has been accentuated by the "unconfirmed" report from New York that arrangements are being made for cutting it in half—might easily be disposed of by an official statement from the board as to what has been done or is proposed.

VICTORY FIRST, THEN—?

An editorial in *Canadian Machinery*.

TO those who have listened to the appeals and exhortations from workers for the Victory Loan during the past few weeks, who have noted the presence in their midst of men prominent in the industrial world, who have studied the statements and weighed the remarks of those men with more than ordinary care and deliberation, one feature stands out above all other considerations and that is the unredeemable debt which every living soul in this country owes to each man and boy, yes and woman too, who have gone forth at the call of duty, and in many cases fulfilled it to the last.

Business men, manufacturers and others who could have stood back have gone amongst their workers and friends, and by virtue of their very earnestness and sincerity have influenced the indifferent and strengthened the willing to insure to the greatest possible extent the overwhelming success of Canada's Victory Loan.

Apart, however, from the sentiment of the situation and the disastrous effects which would have resulted had failure attended their efforts—a catastrophe which we now know is impossible—one feature which was given considerable prominence and which impressed many hearers hitherto unacquainted with it was the tremendous wealth of the Dominion in natural resources. To fully expound this phase of the country's effort would tax the powers of any student of political economy, but its true perspective at the moment can be faintly realized if one considers for a moment just how much visible wealth there is now in this country, both individual and corporate, and that such wealth, in case of emergency, would become national.

The immense sum represented by this is the result of approximately only half a century's development and is therefore but a fraction of what will be in existence in the next half century, yet all this that we call wealth is but evidence, some of it tangible, some of it intangible, of the value of this part of the North American continent as a habitation for mankind.

Rigours of climate, variations in the financial, industrial and economic life of the nation, all the trials which greater nations have gone through before us—these are part of our natural heritage, but they are ours to be overcome, not to be avoided.

Looking back over the past three years, can anyone say we are less great in any one respect, all circumstances considered, than we were three years ago? And in view of what has been accomplished during these and many previous years, can anyone say that we shall not accomplish many times as much in the immediate and not far distant future? And even then, if we can only realize it, the natural resources of our country will have been but scratched.

Considerations such as these are what strengthened our industrial leaders in their appeal to the public, and enabled them to place beyond all human doubt the question of security.

A point, however, which was untouched was the influence which such a loan, subscribed to in such a manner, must, in the aggregate, exert on all those who participate.

A plain realization by the worker, mill operative, factory hand and transportation worker whose efforts are directly connected with the expenditure of the loan, will make it apparent to him or her that any lack of efficiency by any individual means the loss of so much money,—money which has come out of their own and their neighbor's pocket. The textile worker who spoils a blanket or length of cloth, the shoe maker who scraps a pair of boots, the munition worker who spoils a shell, all through carelessness and lack of attention,—each one of these must feel that they have not only lost money for their country but for themselves.

Every ton of fuel consumed unnecessarily in steel making or transportation, every square foot of ship plate not utilized to the best advantage, every hour not spent in intense production means the nullification of so many dollars, dollars saved through years of economy and which must be repaid ultimately out of our natural wealth.

Our natural wealth! The very vastness of it staggers the mind and makes the dollar seem atomic in its smallness and yet in the same breath we are told that every dollar counts. And it is true.

While in some respects our country has been blessed through the absence of war's terrors, the fact of such immunity may be ultimately a handicap which will demand increased effort on our part to overcome. The demands of war have been felt most intensely and insistently in Britain and France, and later in the United States. The former countries, however, by reason of their previous dependency on Germany for many essential materials, were called upon to make efforts beyond comprehension at this distance, efforts which have resulted in many industrial developments that ultimately will more than compensate for the present strenuous times.

It is here that we, with our latent potentialities, must be fully alive and awake to the probabilities of the future. Much is said of our enormous water power resources, but when munitions and stores of war vanish from the factories, when nations cry aloud for the necessities of life, when efforts to make the world a place to live in are resumed on an unprecedented scale, shall we be willing and able to apply that wealth which is our present strength to the amelioration of the lot of those of our brethren whose bravery and sacrifice has been our present protection?

It is there that our future duty lies, not scarred with battle and torn with strife, but clothed with humble reward and a due appreciation of our debt to others. While our men and dollars are fighting let not our brains slumber. The race will be to the swift even as the fight is now to the strong.

THAT unrestricted jitney competition places the street railway at a disadvantage and therefore operates against efficient service to the whole community is to be gathered from the report of Professor Adam Shortt in connection with the affairs of the British Columbia Electric Company. He recommends the elimination of the jitney in districts served by the cars.

WHAT HAPPENED WHEN SCHWAB SAW KITCHENER

A Moving Picture of the Historic Meeting Which Has Had Such Momentous Consequences For British Military Efficiency and American Industry.

One of the first acts of Lord Kitchener after being placed in charge of the British military campaign against Germany was to send a call for Charles M. Schwab. The Bethlehem steel master wired "coming" and literally rushed for a steamer. Of the meeting of these two world figures and of what transpired on that momentous occasion B. C. Forbes, in Forbes *Magazine*, gives the first authentic details which have reached the public ear. He refers to the fact that these two were not unknown to each other, that the S. O. S. from K. of K., therefore, came as no surprise to the steel king, and continues in his graphic style:

So quietly and quickly did Mr. Schwab betake himself on board the Olympic that not one reporter ferreted out the fact. Nor, during all the tragic events which marked the mammoth liner's voyage was the presence of America's greatest steel king disclosed— not even when Admiral Jellicoe, commander of the British Grand Fleet, came aboard off the north coast of Ireland to take Mr. Schwab off and escort him to his famous flagship, the Iron Duke.

But we are outrunning our story. Six days after leaving New York the Olympic was near the Irish coast when Captain Haddock received a momentous message. The Audacious—the pride of the British navy, the new super-dreadnought which had been built at a cost of $16,000,000 and carried guns which could outshoot Germany's best by several miles and had won the blue ribbon of naval gunnery—had, the message disclosed, met with a terrible mishap and threatened to flounder with her crew of almost a thousand bluejackets. Captain Haddock steamed straight for the wounded Audacious and, by brilliant seamanship, rescued the sinking dreadnought's entire crew.

Charles M. Schwab was on the deck of the Olympic as the raging seas swept over the battleship's post deck. With characteristic presence of mind, Mr. Schwab ran for his camera and took a snapshot of the Audacious at the moment she was partly submerged, a picture which is destined to prove as historic as any taken during the entire war.

The Audacious had either struck a mine or had been torpedoed amidship. Her engines had been knocked out of commission and all attempts to tow her to shallow water—she was about twenty-five miles from land—proved futile, as no hawser from either the Olympic or the Audacious could withstand the strain of the 45,000-ton liner tugging at the 30,000-ton battleship. The rescue successfully completed, the Olympic steamed into Lough Swilly, on the north coast of Ireland.

At nightfall the passengers on board the liner saw a tremendous flash out at sea, heard an unearthly roar—and knew the Audacious had blown up.

Lord Kitchener meanwhile was moving heaven and earth to have Schwab brought to London without a moment's delay. Strict orders had been given that no one be allowed to leave the Olympic and, as a matter of fact, the liner lay isolated in Lough Swilly from October 27 to November 2. So anxious was Kitchener to see Schwab, however, that he had the admiral of the British Grand Fleet himself go alongside the Olympic and take Mr. Schwab off. Sir John Jellicoe and Mr. Schwab needed no introductions, for when Jellicoe was only a captain the discerning eyes of the steel master had spotted him as a coming man and had become very friendly with him. Jellicoe rushed Schwab part of the voyage and then Admiral Fisher took charge of the completion of the journey. Schwab was the only person permitted to leave the liner—he was forbidden to take even his man-servant with him.

At six o'clock in the evening Mr. Schwab reached London. Without taking time to go to a hotel he sped direct to the War Office. Word had been passed to the confidential attendants that the great American steel master and armor maker was coming, and, the moment he appeared, doors were opened for him as if by magic —doors that were being vainly besieged by hundreds of manufacturers and others, all anxious to get the ear of the mighty Kitchener or some other personage in authority.

Kitchener was ready for him.

He rose and greeted Mr. Schwab very cordially but very briefly.

Then he motioned to the only other chair in his office—apart from this chair, the one occupied by Kitchener and a large flat-topped desk, there was nothing in the whole, vast room in the way of furniture *except an army bed*, the only bed which Kitchener's body knew night after night during those terrible days, for the war lord worked literally night and day and had no time to leave his office for sleep. It was just after the annihilation of a great part of Britain's little army at the Battle of the Mons and the subsequent retreat.

Kitchener wore none of the insignia, none of the decorations of a Field Marshal, none of the many orders or honors conferred upon him by a grateful empire, not even a suggestion of gold braid. He wore a khaki suit so plain and undistinguished that he could have been taken for a private in the ranks, a private who had been on active service and had not had frequent opportunity to furbish up his uniform—Kitchener evidently had slept in his clothes.

Kitchener's countenance and deportment suggested that of Atlas bent under the weight of the world. His eyes, usually so bright and sharp and penetrating, looked tired and heavy. His demeanor was tragically grave. He appeared to be physically bowed down by the responsibility pressing upon his shoulders.

Without loss of a moment, Kitchener got down to business.

How many shells could Schwab supply —a million?

Yes, Schwab could turn out a million.

How long would it take—how quickly could they be shipped?

Ten months.

Good. How about guns?

Yes, Schwab could supply guns in quick order.

Good. What else could Schwab provide?

Schwab told him.

Good.

What about prices? asked Mr. Schwab.

Quick delivery was more important than any quotation of price. Get the stuff under way and he would get his price, Schwab was told.

It was war time and was not his company entitled to a war profit, suggested Schwab.

Certainly.

It was to be a long, titanic struggle Kitchener confided. He counted upon it lasting five years. (A prophesy to be fulfilled?) He realized very fully that Schwab's was the only huge free ordnance plant in the world, and he was anxious to have Mr. Schwab's pledge that control of Bethlehem would not be sold as long as contracts were being filled for the British.

Would Mr. Schwab sign an agreement to that effect?

"Buz-z-z" went the telephone on Kitchener's desk.

A look of annoyance flashed across his countenance. Who had dared interrupt him in the midst of so vital and so pressing a conference when every moment's delay heightened the danger of disaster?

"Excuse me," said Kitchener, picking up the receiver with a jerk.

Schwab sat in silence.

"Yes-Yes," Kitchener began sharply. Then his voice softened. He listened attentively for a moment or two, asked several questions, gave instructions and then hung up the receiver.

"That," he said by way of apology to Mr. Schwab, "was a call from Belgium. The officer was under fire while he was talking with me. He was speaking direct from the battlefield."

The war lord made a gesture, dismissing that subject, and looked squarely at Mr. Schwab for an answer to the request that he put his signature to an agreement not to part with control of Bethlehem Steel.

Refuses $100,000,000 for Bethlehem; Signs Pledge.

Control of Bethlehem had been valued by certain other interests—not British—as being worth to them $100,000,000. That sum was offered Schwab for his Bethlehem holdings. Here he was being asked to sign a solemn compact to refuse $100,000,000 or or any other number of millions of dollars without any monetary compensation. Did Schwab hesitate to cast aside the $100,000,000? Not for a moment.

He assured Kitchener he would sign such an agreement—and sign it he did.

Under the Atlantic Ocean on the night of that epochal interview between the greatest military genius in the world and the greatest steel manufacturer the world has ever known came messages of the mightiest importance to Mr. Schwab's right-hand executives, messages that were to make industrial history in America. Within twenty-four hours the Bethlehem Steel Company's plants began to buzz and hum as never before. Gigantic preparations were at once begun for the production of the enginery of war on a scale that neither the United States nor Germany had ever before known, preparations that were to expand and expand until Bethlehem's output was to dwarf that of Germany's munition-making idol, Krupp's.

The next day and the next and the next Kitchener and Schwab again were closeted in secret sessions, in sessions upon the outcome of which the fate of Britain and her Allies in no small measure depended. Kitchener took Schwab into his innermost confidence. He kept

Continued on page 11.

PERSONAL

MORGAN JELLETT, who has joined A. D. Morrow in forming the new stock and bond house of Morrow & Jellett, Toronto, started his career as a financier in the Traders' Bank, where he held a clerkship for several years. Educated at Trinity College School, Port Hope, he was well-known some years ago as a football, cricket and hockey player. He joined the staff of Aemilius Jarvis & Co. eleven years ago and was taken into partnership a few years later.

F. P. JONES, who is best known in Canada as genial manager of Canada Cement, and lately has assumed the Presidency of the newly organized Consumers Glass Co., is somewhat of a Victory Loan salesman. It is related of him—in confidence—that he ended a "drive" for subscriptions among the Cement Co.'s employees with these words: "Boys, these bonds are as secure as the Dominion of Canada, and if that busts, well,—Hell!" The appeal was successful beyond all estimates.

A. D. MORROW, senior partner in the new stock and bond firm of Morrow & Jellett, Toronto, belongs to the well-known Morrow family of Peterboro' and is a brother of G. A. Morrow, president of the Imperial Life Assurance Co., and vice-president of the Dominion Securities Corporation. He was born in Millbrook in 1882 and was educated in Peterboro'. In 1899 he joined the staff of the newly-formed National Trust Company and in 1904 entered into partnership with F. H. Deacon in the brokerage business. Four years later he joined Aemilius Jarvis in the firm of Aemilius Jarvis & Co. Mr. Morrow is a member of the Toronto Stock Exchange and a prominent figure in social and sporting circles.

R. W. CRAIG, K.C., who has just been elected a director and vice-president of the Western Empire Life Assurance Co., is one of the brightest of the younger group of Winnipeg lawyers. He is a partner of Sir Hugh John Macdonald and has held numerous important positions in the legal and social life of the city. Originally a school teacher, he took up the study of law in the early years of the century and was called to the Manitoba bar in 1905. For several years he was crown prosecutor for Winnipeg, secretary Manitoba Bar Association and associate secretary, Canada Bar Association. He is a lecturer in the Manitoba Law School and a member of the University Council. His name has figured of recent years in some of the most important cases in the West.

ROBERT JOHN FLEMING who has had charge of the organizing arrangements for the final drive of the Victory Loan Campaign in Toronto, is better known to Torontonians as "R. J.," the genial general manager of the Toronto Railway Company. Since undertaking charge of the operations of the railway company he has had to bear the brunt of a public opinion which has not been in any respect favorable to the company. However, his long acquaintance with the people of the Queen City has enabled him to occupy the difficult position as few men could. Mr. Fleming was for many years prominent in municipal affairs in Toronto, being a member of the city council from 1886 to 1890, and mayor in 1892-1893, and again in 1896-1897. He was also assessment commissioner of the city from 1898 to 1904.

SIR LEANDER STARR JAMESON, whose death took place this week in London, will be remembered as the leader of the "Jameson raid" on the Transvaal in 1895, shortly before the Boer War, rather than an important figure in the South African business world. He was president of the British South Africa Company and attained to that position as the result of business experience gained largely through association with Cecil Rhodes. In the year following the raid which he led, 1896, Sir Leander fought in the battle of Krugersdorp and surrendered to the Boers. He and his officers were at that time sentenced to be shot but were later turned over to the British. Later when he went to England he was tried for his part in the illegal raid and was sentenced to 10 months' imprisonment, but was later released after serving a part of the term, on account of ill health.

ANDREW A. ALLAN, who was chosen as a member of the Board of the Canadian Consolidated Rubber Company, is known most widely as a steamship man, as one would almost infer from his name. His father was Andrew Allan, founder of the Allan Line Steamships, and the son was brought up in this ocean line after he had studied at Rugby and with private tutors. In 1881, at the age of 21, he was admitted a partner in the steamship company, and was closely identified with it until it was taken over by the C.P.R. Mr. Allan's sound training in marine matters has been at the service of the port of Montreal and the River St. Lawrence, and much of the improvement in the navigation of the river between Quebec and Montreal and in pilotage has been inaugurated by him. For the past seven years he has been President of the Shipping Federation of Canada, and was until recently a member of the Board of Harbor Commissioners. His interests include, however, financial and industrial concerns, and he occupies a place on the directorate of the Merchants' Bank, the Dominion Oilcloth Company (as Vice-President), and the Marconi Wireless Company of Canada, as President. He is very fond of golfing and yachting, and is a member of the Dixie Golf Club, and takes an interest also in the Montreal Hunt.

WILLIAM SMITH, of Aberdeen, Scotland, the news of whose death was received this week by cable by Messrs. Osler and Hammond, general managers in Canada of the North of Scotland Canada Mortgage Company, was managing director of that company and a pioneer and one of the foremost figures in the investment of Scotch capital in this country. In addition to the large sums of capital which have been directed to this country, the North of Scotland Canada Mortgage has many shareholders on this side of the Atlantic and Mr. Smith, who formerly visited Canada every year, was regarded as an eminent authority on Canadian investments. Scotland has been a very fruitful field for efforts in securing funds for investment in Canadian mortgages, particularly in Western Canada, and this has been largely due to the character of the relationship which has been built up on a solid foundation by such shrewd and conservative financiers as the late Mr. Smith.

THEODORE ROOSEVELT, whose characteristic address gave added impetus to the final week of the Victory Loan Campaign in Toronto, is an outstanding and unique world figure in many respects. It is doubtful if any so-called private citizen commands a larger share of public admiration throughout his own and many foreign countries as does the dynamic and picturesque "Teddy." As politician, soldier, author, hunter and explorer he has been actively on the public horizon for more years than is usually the lot of public men. Roosevelt was 26th President of the United States and his political career reached its zenith when he succeeded to the position of chief executive of the United States on the death of William McKinley in 1901. His political career commenced in 1882 when he was elected a member of the New York Legislature. He continued to sit in the Legislature for two years but then went West and took to ranching in North Dakota. However, two years later he again entered the political arena as candidate for mayor of New York. Three years later he was made a United States Civil Service Commissioner and continued in that office until 1895 when he was made president of the New York Police Force. Two years later he became assistant secretary of the Navy but resigned in the following year to organize, with Surgeon (now Major-General) Leonard Wood, the first United States cavalry, popularly known as Roosevelt's Rough Riders. He was lieutenant-colonel of this regiment which distinguished itself in Cuba during the Spanish-American war and was promoted to the rank of colonel for gallantry in action. He returned to the political arena in 1899 when he was elected Governor of New York and in the following year was elected vice-president of the United States which office he held until the death of President McKinley. He served the balance of the McKinley term and was re-elected in 1904 by the largest popular majority ever accorded a presidential candidate. Since the conclusion of his presidential term in 1909 he has devoted himself very largely to hunting and exploration in South America and Africa. His last bid for political honors was in 1912 when he was candidate for the presidency on the Progressive ticket. His characteristic expression of thought and opinion was a feature of the "Outlook" magazine for a number of years, while he has written a number of books of wide interest, many of which deal with his adventures in search of big game.

BUSINESS IS BEHIND WAR PREPARATIONS

United States Government Has Secured Co-operation of Biggest Business Men and a Wonderful Organization Has Been Built up at Washington, Which is Being Used to Speed up the National Organization for War—How it is Being Done.

By a Staff Representative at Washington.

EDITOR'S NOTE.—*A member of the editorial staff of the MacLean Publishing Co. is in Washington investigating the methods by which the U.S Government is organizing the immense resources of the country through the co-operation of the biggest business men. The following article is the first of a series which will run through the next six issues of THE FINANCIAL POST. These articles will tell in detail how the plan of co-operation was worked out and the results which have been obtained. The Government saved ten million dollars on one purchase of copper because a committee of business experts handled the deal. But this spectacular instance is but one of the many which will be recounted. The second article appearing next week will tell of the formation of that remarkable organization, the Advisory Committees of the Council of National Defence.*

Washington, D.C.

UNCLE SAM is now preparing a long and grim war. His whole war outlook has changed during the past two months, in fact. At first he harbored the notion at the back of his head that the world was on the threshold of peace. Something was going to happen to bring it about; Austria was going to knuckle under; the German people were going to heave up and slide the Hohenzollerns into the abyss; the western front, bending and straining under Haig's hammer blows, was going to suddenly crack.

This unbounded optimism has now vanished and the American Government is working tooth and nail to create a war machine that will represent the full might of the American nation and be good for the strain of years of warfare. Washington is bending to the task. The inadequate suit of war clothing that had been cut out and partly basted has been ruthlessly ripped apart and the master cutters are at work on a fit for a full-grown, powerful warrior.

A visit to Washington reveals the grim determination with which the task is being taken up. There is a full realization there that, with a population of one hundred million, a glut of wealth, an unparalleled industrial development and practically inexhaustible resources, the American people are in a position to wage war mightily. That is, if the will of the people can be welded into the strength and flexibility of steel, if the wealth can be applied and if the industrial resources of the country can be utilized for war purposes. This is Washington's task. It is not difficult to raise an army of anywhere from one to five million men. But to feed, clothe and arm that army, to help feed the allied countries, to build ships faster than the U-boats can sink them, to provide transportation facilities; all this is a giant's task.

The American Government is going to rise to the emergency. There are several reasons for believing this, but the greatest is that the Government has *conscripted brains*. An organization is being built up in Washington which will control business in every State of the Union and effect the closest co-ordination between the Government and the business interests of the country.

Washington in a Turmoil.

To say that the capital city is in a turmoil is putting the case mildly. Always a staid and dignified city, given over exclusively to the orderly processes of federal government. Washington has suddenly been called upon to house a galvanic, ever-growing organization capable of running a war The place has become crammed literally to the roof. The Government is spreading out, annexing buildings, erecting new ones, expropriating private residences, monopolizing hotels. The trains running in and out of the city are always crowded. Hotel rooms are at a premium.

I arrived in Washington late one night and confidently sought out the hotel where I had made a reservation. It looked like a place under siege. I fought my way to the desk through a crowded rotunda and finally engaged the attention of one of the harassed clerks.

"Reservation? Oh, yes," he said. "But all these people have reservations too—and we haven't a room vacant. Just got word from the gov'ment to hold seventy-five rooms with bath to-night. Sorry."

I learned later that a deputation of boot and shoe manufacturers were due that night to go into matters of leather supply and army boot contracts with the Government. They came at the request of the federal authorities and they had to be accommodated. Just pause a moment and look that idea over. Seventy-five business men, experts in their line and from all parts of the country, had been summoned to Washington to give the buyers of the Government advice on the leather situation. It is safe to say that, when they left, the leather situation had been solved to the satisfaction of the Government and the manufacturers as well. The old way was for a few politically appointed officials to decide on some course of action and then find out how it suited conditions later.

Canadian Fliers Here

So I went over to the next hotel in line and found it just as crowded, if not more so.

"Government's ordered forty rooms," was the explanation of the clerk. "Some flying men from Canada coming, a bunch of automobile men and a deputation from California. Can't accommodate our own customers nowadays."

I finally got a room that night in a hotel improvised out of some old stores, a room over a moving picture theatre and containing a zinc bath with the date stamped indelibly on it, 1885. Next morning I visited fourteen hotels and got a room in the last one on my list.

I found afterwards that the whole city was in the throes of expansion to meet the sudden influx. Buildings are being rushed up on every hand, particularly apartment houses. Rents have doubled. I met one man, a faithful civil servant whose salary had crept up twenty per cent. and who this fall had seen his rent go from $40 a month to $85.

A story is told of expert profiteering on the part of some enterprising real estate men. Several contracting firms had gone extensively into the building of apartment houses this summer. The foundations were scarcely in when it was intimated to the builders that the whole accommodation would be needed for government purposes. The intimation came through real estate agents, but it looked like government business and the contractors gave blanket leases covering all apartments. When the buildings were completed the agents stepped in and started to re-lease the apartments at double the rental paid the owners and to private parties. On one apartment house alone the agents are making a clear monthly profit of $800—and they don't have to turn a finger.

Temporary Government Offices

The Government has been forced to extend into practically every part of the city. New buildings are being erected, some of them of a purely temporary nature.

When the formation of the Advisory Commission of the National Council of Defence had been completed, the question of accommodation arose. The machinery built up was an extensive one and many hundred offices had to be provided for the men who were coming to Washington to organize the resources of the country. When estimates of rental costs were received the officials in charge were rather staggered.

"We can put up temporary buildings and save a lot of money," said one.

"But, objected one of the National Council, "some of these men are on their way to Washington now. They must be accommodated right away. The work is important. It can't be delayed—not by a day."

"All right," declared the first speaker. "We'll get you temporary offices, but we'll start in now and put up a building for you. I'll guarantee personally to have it ready in two months."

It looked like a big order. But that very afternoon authorization was secured for the use of vacant Government land within sight of the White House—and the contracts were let! The building was practically completed in fifty days. In fact, on the fiftieth day the officers of the Advisory Commission moved in and found everything ready for them. It is a stucco building of good appearance with beaver board partitions and pine floors. It is commodious and thoroughly suitable and it represents a saving to the Government of the United States of several hundred thousand dollars. To the mind of the observant visitor it is emblematic of democracy and of the kind of efficiency that grows out of the co-ordination of business brains and experience with Government authority.

Increasing the Capital's Facilities

The orderly old city has been upset in other ways. So tremendously has the volume of business done there been increased that the telegraph and telephone facilities were hopelessly inadequate. In the early days when the war organization was just beginning to sprout from the aged trunk of the civil service, officials used to find themselves repeatedly up against an *impasse*, with the wires choked with rush messages and the long distance lines filled. All they could do was to sit back and wait. Finally the heads of the telegraph and telephone companies were summoned to Washington and an arrangement effected by which the management of all lines was pooled and placed in the hands of a joint board subject to Government control. More about this arrangement will be told later, but in the meantime it is interesting to trace how the congestion at the capital was relieved. The number of wires out of Washington was immediately increased from 148 to 294, and these will be added to. Construction was started on a new central telephone office with an ultimate capacity of 10,000 lines. Systems all over the United States were overhauled and co-ordinated with the result that 10,000 miles of special systems were withdrawn from commercial use entirely and given over exclusively to the Government.

As an evidence of why so extensive enlargements of the service were necessary a conversation with the head of one of the branches of the Ordnance department may be quoted.

"What change has come about in the size of your department as a result of the war?" he was asked.

"Up to April of this year," he replied, "the whole staff of the department numbered 150. It is impossible to say how many we have working for us now, owing to the tremendous ramifications of the system. There are advisory committees and men serving without salary. But we have 3,000 clerks and stenographers alone and to-day we occupy 11 buildings. Next year? We may need the whole city just to house this department."

The Government and the Business Man.

But the main object of this series is to show how the American Government is handling what might be termed the business side of the war; how industrial resources are being organized and business experience utilized in the tremendous work of girding up an industrial nation for war. It has been getting more apparent all the time since August, 1914, that wars are not won entirely on the battlefield, but that victory in the first place must be hammered out in the factories and calculated in the counting houses and wrested from the soil. The best prepared and organized side will win this war.

Thinking men in Canada have felt that our own efforts toward national organization have been inadequate and that a change would have to be made before we would be able to take our full share in the struggle for democracy. There has been no organized attempt to co-ordinate business interests with the Government. Up to the present the work at Ottawa has been carried on very largely by political appointees. There has been inertia, lack of initiative, all the evidences of the ineptitude that accompanies party government. It may be that, after the pending election, there will be a complete change. In the meantime, however, thinking people in Canada have watched developments in the United States with keenest interest and they have seen the Government at Washington inaugurating measures that we in Canada have not yet undertaken. They have seen Uncle Sam gathering to his aid the most successful men in all branches of activity—business men, engineers, educationalists, labor leaders—and through them organizing the resources and the man power of the country in a way that no government alone could do. It has been an object lesson.

An Organization Full of Faults, But———

The work done at Washington is far from perfect. The war organization that has been created is unwieldy, shamble-jointed, wide open to criticism. And it is drawing criticism in full measure! The chorus of discontent comes from all quarters. Business men are not satisfied with it. It needs to be boiled down; authority must be concentrated; execution of work must be speeded up. The politicians clamor against bringing in business men; the public howls a sustained protest perhaps on general principles.

"You have come down from Canada to find out how we are doing things here?" asked one official—and he was placed high up—with a degree almost of astonishment. "Why, we are doing nothing yet the way we should. We have everything to learn. We're groping. I'm afraid you can't learn anything from us."

This spirit was reflected in varying degrees everywhere. They are not at all satisfied with what they have done. They are going at the task of finding better methods with a grim, stick-at-nothing attitude that promises results. Part of the hastily constructed machine is going to be pulled down and rebuilt. And, from present indications, it is going to be rebuilt *right*.

A survey of what has been accomplished to date leaves the impression that we can learn a great deal from Uncle Sam. A visit to the temporary building down at D and 18 Street, where the advisory committees of the National Council of Defence are located and a study of what has been accomplished there deepens that impression. They haven't done everything right by long odds, but some of the things that have been done can be described only as miracles

It is intended, therefore, to tell just what has been done. A duty that war imposes on all belligerents is to profit by the examples and the mistakes of Allies and foes alike. The United States is profiting by the achievements and the mistakes chiefly of the Allies; and Canada in turn can profit by keeping a close watch on what is transpiring in Washington.

Why Business Went to Washington.

The all-important thing done has been the conscription of business brains and experience; all important because it is the foundation on which the whole organization is being built. This principle was not adopted without opposition. The professional politician class fought vigorously against bringing business men to Washington. War was a matter for government control; let the business man stay in his factory and his warehouse and produce what he was ordered to produce.

The story goes that some of them waited on the man who sits in the White House. By the way, the politicians have found that Wilson, the Professor, who it was thought would be as putty in their hands, is the hardest nut to crack that politicians have ever had. He puts on his glasses and in that cold, academic way he has proceeds to find the joker in everything they put in front of him.

However, a few of the inner circle carried the protest of the professional politician to the White House. They voiced their resentment of the movement for co-operation with the business interest. The President heard them through.

"Are you aware that before this war is won," he said, according to the story, "it may be necessary to take men from every industry in the country, to take all materials, to utilize every factory? Could the Government do this best with the co-operation of the men who control and understand industry or without it?"

"You have probably not considered," he went on, "that this war is not going to be won by armies. It is going to be won in the factories and on the farms."

The interview was a brief one. The principle of working closely with the business men of the country was firmly established.

Big Men in the Government Service.

In the first place, it became necessary to create new positions. For the most part they were filled by securing the men best fitted for each post quite apart from all considerations of political expediency. The Shipping Board was created and "Hurry up" Hurley was secured to take charge. Hurley is the best man that could have been found in the whole of America for this particular job—a two-fisted, dynamic executive who gets things done and has long experience behind him. Col. Goethals, who surprised the world by completing the Panama Canal on schedule time, was also impressed into this service. Now Henry Ford is being brought in. Ford knows how to standardize manufacture so thoroughly that he can turn out more and cheaper automobiles than anyone in the world; so they have delegated him to the task of standardizing the building of merchant ships. Frank A. Vanderlip, a banking authority of international reputation, was installed at the Treasury. Davisson, one of the Morgan partners—no further word of commendation is necessary—was secured to head the Red Cross work. And so it went all along the line.

The National Council.

But the most radical departure was the organization built up around the Council of National Defence. The Council consists of six members of the Wilson cabinet. First an advisory commission was appointed, composed of seven of the most prominent business men in the country. Each of these seven men had charge of one branch of industry. For instance, Daniel Willard, the president of the Baltimore & Ohio Railroad, was put in charge of transportation. Each chairman divided his own branch into a number of component parts and secured committees for each section. These committees were not purely decorative or honorary bodies. Each man selected agreed to give all or part of his time to the service of the country and forthwith came on to Washington and started to work.

The work of organizing each branch of industry then began. And some wonderful results were achieved. Supplies needed by the Government were produced in record time at prices cut far and away below the market levels. The story of achievement is so remarkable, however, that it will require an article itself in the telling.

EDITOR'S NOTE.—*Next week will be told the complete story of the organization and the work of the advisory committee of the Council of National Defence.*

Wages of male workers in Germany advanced 46% from March, 1914, to September, 1916. Women workers' wages increased 54.1% in the same period.

The Victory Loan

Last Call
List Closes To-day

Royal Securities
Corporation, Limited
164 St. James St.
MONTREAL

Investing by Small Payments

¶ The growth of the periodical payment plan for making safe investments is one of the most notable features of recent years in finance on this continent.

¶ The plan was introduced to Canada by this firm which is now helping investors throughout the country to invest while they save.

¶ Our circular will be sent to anyone interested on request.

GREENSHIELDS & CO.
Members Montreal Stock Exchange
Dealers in Canadian Bond Issues
17 St. John Street, Montreal
Central Chambers, Ottawa

WHAT HAPPENED WHEN SCHWAB SAW KITCHENER.

Continued from page 10.

nothing back. Some of the facts he disclosed could not be confided even to Mr. Schwab's chief executive, and to this day they have never been revealed to a soul nor committed to writing.

Fills $300,000,000 Orders for British.

It must suffice to say that the need for feverish haste was so urgent that Mr. Schwab took the first boat back to the United States in order to speed up production without counting cost.

The miracles Schwab then and has since wrought constitute a chapter without parallel in the whole history of the world war.

Not only was every contract entered into with Kitchener filled and filled successfully ahead of scheduled time, but instead of furnishing a million shells in ten months, Schwab's plants were developed so extraordinarily that by and by the output reached a million shells every month.

Within two years from the day Kitchener and Schwab had their first memorable conference the Bethlehem works had supplied Britain with $300,000,000 worth of war materials, an achievement never matched by any other industrial plant.

One of Mr. Schwab's most cherished possessions, one which he would not exchange for millions of dollars, is a letter from Kitchener in which he conveys to the steel master the thanks and gratitude of the British Empire for the services he had rendered it at the most critical period in its history, and begs that this expression of gratitude be conveyed by Mr. Schwab, not merely to his executive associates, but to the thousands of workers whose hands had produced the materials which had contributed so invaluably to preserve civilization.

War Risks

Are you one of the hundreds of business men in Canada who are working at high pressure and bearing extra cares because of war conditions? If so, should you not protect your family or your business by additional Life Insurance.

The war risks are not all overseas. Every few days the sudden passing away of some prominent business man gives evidence of the tension and anxiety of the men who are bearing the added burdens at home.

The Security Life Insurance Company of Canada, which issues only "all guaranteed policies," is issuing direct to insurers a special protection policy intended to serve the present war-time need. At age 35 the annual premium for $5,000 is only $52.00.

"Just my measure," said a well-known business man of this plan. He took the limit.

Write, stating age last birthday, for full particulars.

The Security Life Insurance Company of Canada
Head Office, KENT BUILDING, - TORONTO

President—Brig.-Gen. Sir Henry M. Pellatt, C.V.O.
1st Vice-Pres. and General Manager
J. O. McCarthy, Ex-Controller, City of Toronto.

Vice-Presidents
Victor Morin, LL.D., Notary Public, Montreal
W. W. Hiltz, Builder, Toronto (Ex-Chairman Board of Education)
W. O. McTaggart, Toronto (Ex-Chairman Board of Education)

Directors
Mark Workman, Montreal (Pres. Dominion Seel Corporation)
J. P. Laporte, M.D. Joliette, P.Q.
B. F. Ackerman, Peterboro (Manufacturer)
W. H. Elliott, Toronto (Inspector Public Schools)

Medical Referee
R. J. Wilson, M.D.

Secretary and Actuary
John P. P. Oliver

He is incredibly blind to his own interests and to those of his country who refrains from investing to the utmost in

VICTORY BONDS
"Better than Cash"

Space contributed by A. E. Ames & Company, Toronto, Montreal, New York

Business Founded in 1795
AMERICAN BANK NOTE COMPANY
(Incorporated by Act of the Parliament of Canada)
BANK NOTES, BONDS, STOCK CERTIFICATES, CHEQUES AND OTHER MONETARY DOCUMENTS.
SPECIAL FACILITIES FOR THE PREPARATION OF MUNICIPAL DEBENTURES
HEAD OFFICE and WORKS
OTTAWA
Branches:
TORONTO MONTREAL WINNIPEG

H. O'HARA & CO.
Members Toronto Stock Exchange

Stocks and Bonds dealt in on all Exchanges. Municipal, School District, Rural Telephone, etc., Bonds always on hand for investment. Write for particulars and list of offerings.

Royal Bank Building, Toronto

PATRIOTISM AND GOOD JUDGMENT
inspire you to purchase as many War Loan Bonds as you can afford. Do not put off this duty. Show a good example—
BUY VICTORY BONDS TO-DAY
This space donated by
Thornton Davidson & Co., Stock and Bond Brokers, Montreal, P.Q.

The Premier Investment of this Age is
Canada's 5½% Victory War Bonds
A. H. MARTENS & COMPANY
(Members Toronto Stock Exchange)
New York, N.Y. TORONTO, ONT. Chicago, Ill.

5% instead of 3%

If you saved $100 every six months for 10 years at 3%, you would receive $347.05 in interest. If you invested the same amount for the same time at 5% you would receive in interest $618.33. The gain at 5% would be $271.28, or 78% in excess of the 3% rate.

Why Lose the Difference

between 3% and 5% or sacrifice 78% of the profits you should derive from your capital. Standard Reliance 5% Mortgage Corporation Debentures are issued in amounts of $100 and upwards. The interest (5%) is payable half-yearly by the local bank in cash on the day it is due. The principal is repayable at a fixed period to suit your convenience. Absolutely safe. No worry or inconvenience.

Thousands of people have invested in these debentures without the loss of one dollar invested.

Are you a saver or an investor? Write to-day for interesting booklet entitled "PROFITS FROM SAVINGS," which gives some very valuable advice.

STANDARD RELIANCE MORTGAGE CORPORATION
Head Office 82-88 King St. E. Toronto
Branch Offices:
AYR BROCKVILLE CHATHAM
ELMIRA NEW HAMBURG

Investors' Information Bureau

Any subscriber to The Post may write the Investors' Information Bureau for special information on any Canadian security, or other financial matter in which he may be interested. Inquiries are treated confidentially, and answered by mail.

This service is free to subscribers, but inquirers should enclose stamp for reply.

NEWS OF THE BOND MARKETS

OBJECTIVE WILL SURELY BE REACHED

Question is Now How Much in Excess of $300,000,000 Loan Will Go.

THE WEEK IN MONTREAL

Many Big Subscriptions Are Recorded and Various Successful Schemes To Get Money Are Employed.

Predictions as to the grand total of Victory Loan subscriptions are now in order, and bets also. The consensus of opinion among those engaged in the work is that a sum of from $315,000,000 to $350,000,000 will be realized. There is no longer any question about the $300,000,000 objective. It will be met and passed. It is just a guess as to how much beyond this mark the total will climb.

The week just closing has been one filled with the most varied and arresting kinds of publicity and the most strenuous efforts to reach and surpass objectives. With but few exceptions, provinces, districts, counties and cities have done the expected and have turned in the amounts assessed against them. In various cases new objectives have been named and reached. The financial resources of the country have proved ample and the response of the Canadian people has been splendid. With $300,000,000 subscribed, a year's respite from further loans is assured.

The Week in Montreal.

The Victory Loan total for Montreal and the rest of the province of Quebec was increased from Monday to Wednesday by $10,765,950, of which $9,623,200 came from Montreal, and $1,142,750 from the Province outside. The grand total for the Province then reached $53,912,150, of which Montreal Island had contributed $45,236,000. At that time it was felt by the committee that the total for Montreal would reach $55,000,000 or perhaps $60,000,000 by Monday next.

The two spectacular features of the week were the visit of Harry Lauder and Mme. Sarah Bernhardt. Both took part as salesmen: the Scotch entertainer at Goodwin's department store on Saturday when he disposed of $45,000 worth in an hour, and the "Queen of Tragedy," who in a few minutes on Monday evening at the theatre, after the "Trial Scene," disposed of $4,500, signed by herself, taking personally the first and the last she offered.

Big Subscriptions.

Booths were opened in various centers this week, and on Thursday the city was made a "free for all." The outstanding subscriptions of the week were $5,000,000 from the Sun Life Assurance Co., the New York Life Assurance Co., $2,000,000; Riordon Pulp & Paper Co., $1,000,000; Laurentide Co., $1,000,000; J. K. L. Ross, $250,000; L. A. Gosselin, $200,000; Canadian Cottons, Ltd., $100,000; Penmans, Ltd., $100,000; Societe d'Administration Generale, $95,500; Mark Fisher, Sons and Co., $51,000; Southern Canada Power Co., $50,000; Donnacona Paper Co. (Portneuf), $50,000; H. R. Drummond, $50,000; Dominion Oilcloth Co., Ltd., $50,000; Senator N. Curry, $25,000; Canadian Ingersoll Rand, John Baillie, $15,000; Eugene Delorme, $10,000; Hon. Art. Boyer, $10,000; W. H. Robinson, $10,000; Miss Elizabeth S. O'Neill, $10,000; Carl Riordon, $10,000; Angus Shops, C.P.R., from 3,750 employes, $239,000; La Cie d'Assurance Nationale de Paris, $50,000; James Gardner, $25,000; T. Kellert & Sons, $25,000; F. Orr Lewis, $50,000; D. Lorne McGibbon, $25,000; Debenhams, Canada, Ltd., $25,000; Munderloh & Co., $25,000; Chas. H. Hart, $15,000; Estate Hon. L. Tourville, $70,000; Kingsbury Footwear Co., $50,000; North British & Mercantile Insurance Co., $300,000; Lake of the Woods Milling Co., $200,000; Elder, Dempster Co., $200,000; Asbestos Corporation of Canada, $200,000; Eagle & British Dom. Ins. Co., $200,000; Peter Lyall & Sons Construction Co., $150,000; Lorne C. Webster, $100,000; Daird Hodgson, $100,000; Estate R. D. Martin, $75,000; Randall Davidson, $75,000; Cluett, Peabody & Co., $50,000; Drummond, McCall & Co., $50,000; Belding Paul Corticelli, $20,000; Sir George Perley, Argenteuil, $10,000; Andrew S. Johnson, Thetford Mines, $100,000; Three Rivers, J. L. Sanschagrin, $40,000; Stanstead, Chas. S. Niedner, $10,000; Levis, The A. Gravel Lumber Co., Ltd., $10,000; Richmond, James Riddle, $10,000; Richmond, Alex. MacLeay, $10,000; Brome, George Houldsworth, $10,000; Matane, Martia Astle, $8,000; Kenogami, Mrs. A. E. Ball, $5,500; Stanstead, Penmans Limited, $5,000.

Sir Thomas White was the guest of honor at the luncheon on Friday afternoon.

ROAD BUILDING BONDS.

U. S. Department of Agriculture Criticizes Long-Term Issues.

Severe criticism of the practice of issuing long-term debentures to meet the cost of road construction is made in a recent bulletin of the United States Department of Agriculture. After showing that more than $40,000,000 of new road and bridge bonds are now being issued annually in the United States, not to mention general bonds issued in many cases to cover actual or threatened deficits occasioned wholly or in part by the road and bridge expenditures, the report continues:—

"Such data as are available, however, serve forcefully to call attention to the abuses to which the bond method of financing often is being subjected. To issue bonds for financing of road improvements frequently is both advisable and necessary. But this does not justify some of the present-day practice. Millions of dollars' worth of road bonds having a term of 30 years or more still are being issued every year, and one State has gone so far as to legalize and encourage the use of bonds having a term of 41 years for the financing of local road construction. This all too frequent practice of issuing long-term bonds in payment of improvements which can not possibly last one-half of the term of the indebtedness can be defended neither on the grounds of sound public policy nor of good business. It should be discontinued at once."

OPPOSE TAX INCREASE.

Montreal Realty Owners Will Protest to the Legislature at Quebec.

Montreal real estate owners are arranging to protest before the Quebec Legislature against realty tax increases such as are proposed by the mayor and certain controllers. Figures will be submitted showing that for three years past the assessors, on account of the way they themselves had "boosted" values, were compelled to lower them. Facts will be produced demonstrating that on more than one occasion the assessors publicly declared that they had come to the rescue of proprietors and had lowered the assessed values in order to save the owners from losing their properties; in other words to prevent the properties from being seized and sold by the city for the taxes.

The difficult task will face the administrators of explaining to the Legislature what justice there can be in now materially increasing the "fixed" rate on realty in the face of the above reductions, which were ordered by the assessors themselves so that the burdens on realty might not be so great.

SYSTEM IS WRONG.

Method of Accounting in Winnipeg Declared to be Behind Times.

That the accounting system in use in Winnipeg has not conformed to established principles and that, even more than any change in methods of accounting, revitalization of the organization is required, is the opinion expressed by Henderson, Reid & Co., accountants, who have recently completed an outside audit ordered by the city council a year ago.

Referring to the fact that it is nine years since the last outside audit was made and to the expansion which has taken place since that time, one of the first things noted by the report is the absence of connecting links in accounts and records.

The following financial summary of the position of the city in respect of assets and liabilities is included in the report:—

Capital funds section—	
Total capital assets	$40,072,276.02
Less res. for deprec., etc.	8,507,762.25
Apparent net value ass.	$31,564,512.77
Total capital liabilities	$37,656,046.56
Less res. funds invested and in hand	8,538,519.90
	$29,119,526.56
Total nom. capital surp.	$ 2,444,987.11
Revenue funds section—	
Total revenue assets	$ 4,015,203.51
Total revenue liabilities	3,918,948.41
Net actual rev. surplus	$ 96,255.10

RESUMPTION OF REGULAR BUSINESS

Not Expected to Amount to Much Until After the New Year.

AN UNCERTAIN MARKET

Will Have to be Tried Out Cautiously, in Order to Size Up Receptive Powers of Investors.

So far as the government's arrangement with the bond dealers is concerned, there will be no obstacle to a resumption of the regular bond business next week. It is doubtful, however, whether much business in this direction will be done until after the new year. There is still a vast amount of work to be completed before the Victory Loan is safely afloat. Organizers will have to finish their reports and close up their offices and central committees will have duties to perform for several weeks to come. Even those who are freed, will doubtless be so tired that holidays will be in order.

Some municipal business may develop towards the end of next week but the election campaign is on and after that the Christmas vacation so that there will be small chance to do much until after January 1. From the investment standpoint also there will be a difficulty because of the uncertainty regarding allotments. It is not at all certain that the large institutional subscriptions will be accepted in full. In fact, if the loan exceeds $300,000,000, it is quite likely that they will be shaded down. This would then release some funds for immediate investment in high-yielding municipals.

Some Issues Coming.

That there are several municipalities which would like to sell issues before the end of the year is well known and it is expected that these municipalities will begin to make overtures to bond houses at once. The reception they will receive is matter of doubt. After the hiatus caused by the floating of the Dominion loan and the complete cessation of all municipal business, it will be difficult to estimate just how the market will act and no dealer will likely be willing to take heavy commitments. The situation will be felt out very carefully and doubtless there will be more handling of issues on option than by purchase.

What is in Store.

Opinion is somewhat divided as to what is in store for the market. Some dealers look for a gradual strengthening of prices during the spring, this being all the more pronounced if the Victory Loan is a complete success. The volume of municipal issues is bound to be limited and, as there is always a certain flow of funds into investment channels, it would seem as if prices would hold their own. On the other hand, there is a feeling that there cannot be any real improvement until the war news is decidedly better. In any case it will be interesting to watch how the market moves now that the big loan is out of the way.

An Object Lesson.

An object lesson in what persistent salesmanship can accomplish is provided by the present campaign in Toronto. In one of the districts, teams came in from their special territories after a few days of effort and reported that they had cleaned up the ground, that the last subscriptions had been obtained. They were sent back again with instructions to make a second canvass. This they did and a fresh lot of subscriptions was secured. Then teams were switched over into different territories and the combing process was resumed with the most astonishing results. After fifteen days of effort, the biggest total of all was secured.

The Manufacturers' Life Insurance Company of Toronto have subscribed for $1,500,000 of the Victory Loan, and have converted their holdings of previous war loans, amounting to $2,131,700, into bonds of the Victory Loan, giving this company a total holding of the Victory Loan of $3,631,700.

The National Trust Company, Limited, have subscribed $3,500,000 to the Victory Loan, $3,000,000 being in the name of the Toronto office and the balance in those of five other offices of the company.

Mexico has established a commission to adjust all claims arising from damage done to property during the revolution.

R.C.Matthews&Co.
Government and Municipal Bonds
C.P.R. BUILDING
TORONTO

BUY VICTORY BONDS
R. A. DALY & CO.
BANK OF NOVA SCOTIA BUILDING
TORONTO

Chartered Trust and Executor Company
accepts funds for investment in selected first mortgages and gives its own Guarantee of repayment of principal and interest. This guarantee provides all the essentials of a high-class investment—good interest return, absolute promptness of payment, and security of principal.
Chartered Trust and Executor Company
61 Yonge St. TORONTO

SOLICITORS
TORONTO
BLAKE, LASH, ANGLIN & CASSEL
Barristers, Solicitors, Etc.
Canadian Bank of Commerce Building, Toronto
Cable Address: Blakes, Toronto.
General Solicitors for the Canadian Bank of Commerce, National Trust Company, Limited, etc.

CHARTERED ACCOUNTANTS
EDMONTON, ALTA.
Baldwin, Dow & Bowman,
Jackson Block

HOUSES IN FORT WILLIAM.

Accommodation for a Thousand Workmen Will Soon Be Needed.

To find homes for one thousand workmen within thirty days is the task set before a Fort William realty firm by the officials of the Canadian Car and Foundry Company. G. R. Duncan & Company, of Fort William, have been authorized by the car works officials to make a complete enumeration of the houses for rent and for sale in the city and to make a report to them within one month, so that they will be in the best position possible to house the first influx of workers. Mr. Duncan stated that they had a man on the job right now and they are ascertaining as well the accommodation at boarding houses and hotels in the city. When the work is completed they will have a complete census of the home and boarding accommodation of the city.

MORE SCHOOL LANDS SOLD.

Auction At Maple Creek, Sask., Brought Average of $22 an Acre.

At a sale of school lands held recently at Maple Creek, Sask., brisk business was done by the auctioneer all day. 15 parcels of land were put up. The first parcel was knocked down for $25 an acre. The highest price paid was $46 per acre. The lowest price was $7 and the average ran around $22 an acre. Purchasers in most cases were farmers living close to the lands offered for sale.

UNDER PRESENT CONDITIONS
WE RECOMMEND THE
PURCHASE OF

Long term--High yielding

Municipal Bonds

Ask for our list

RENE-T. LECLERC

Investment Banker

160 St. James Street Montreal

Telephones: Main 1260 and 1261

F. H. DEACON J. C. FRASER

F. H. DEACON & CO.

Members Toronto Stock Exchange

"Victory Bonds"

BUY YOURS TO-DAY

97 Bay Street - Toronto

WE OFFER

City of Sherbrooke, P.Q.

5%

10-Year Debentures

Due 1st May, 1927

Particulars on request.

Beausoleil, Limited

263 St. James Street
Montreal

CONSULTING ENGINEERS

MONTREAL
W. J. Francis & Co. - 260 St. James St.

One of the best AUTHORIZED investments for TRUST FUNDS is our

5% DEBENTURE

Ask for Booklet "About Debentures"

Paid-Up Capital $2,410,925.31
Reserve - - 685,902.02
Assets - - 7,426,971.18

THE GREAT WEST PERMANENT LOAN COMPANY

WINNIPEG TORONTO
VICTORIA REGINA CALGARY
VANCOUVER EDMONTON
LONDON, ENG. EDINBURGH, SCOT.

Canada Permanent Mortgage Corporation

Toronto Street, Toronto

Quarterly Dividend

Notice is hereby given that a Dividend of TWO and ONE-HALF PER CENT. for the current quarter, being at the rate of

Ten per cent. per annum

on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable

Wednesday, the Second Day of January

next, to Shareholders of record at the close of business on the Fifteenth day of December.

By order of the Board,

GEO. H. SMITH,
Secretary.

Toronto, November 28th, 1917.

FIELD OF MUNICIPAL FINANCE

DISPOSITION OF SINKING FUND MONEYS

Question Raised Regarding Use of a Surplus For Current Expenses.

WAS A PAPER SURPLUS

Saskatchewan's Local Government Board Makes a Ruling Rendering It Illegal To Employ Surplus for Such Purpose.

In the issue of THE FINANCIAL POST for November 17, reference was made to an important decision of the Local Government Board of Saskatchewan in connection with an application of the city of Saskatoon for permission to use its sinking fund surplus for current expenses. The full text of the decision, which will doubtless be of interest to many municipal officers, is as follows:—

The city of Saskatoon having made application to the Local Government Board for authorisation to use the surplus earnings of the sinking fund, derived from the investment thereof, for current or other expenditure, the board invited the other cities to express their views on this matter, asking that argument should be submitted either in writing or by representatives on October 4 last.

The exact circumstances surrounding the application of the city of Saskatoon were as follows: On June 30, 1917, there were arrears of instalments and accrued interest due by the city to the sinking fund amounting to $82,587.27; there were surplus earnings of $13,691.65, which with debenture premiums amounting to $23,244.00 make a total of $36,935.65; thus leaving a shortage of cash still due to the fund of $45,651.62. It is understood that the necessary levies have been made to make up the balance owing, but these have not all been collected.

Views of Cities.

The views of four of the cities, in writing, coincided, although expressed in different language, namely, that the surplus earnings of the sinking fund, before being applied to any other purpose, must be in actual cash in hand, and not merely a surplus on paper. The quotation of the views of one of the cities will be sufficient to indicate the opinion of all four. This reads as follows: "We are of the opinion that no diversion of moneys from the sinking fund should be permitted until there is an actual cash surplus after all provisions have been made for the accrued payments into the sinking fund for the repayment of the various debts for which the fund was established."

Commissioner Thornton, of Regina, however, stated that he understood that when section 328*a* of The City Act was passed it was the intention of the Legislature that such surplus earnings might be used for current or other expenditure under circumstances similar to those in question.

The sections of The City Act which call for interpretation are:

"327. If, after paying the interest of a debt for any financial year, and appropriating the necessary sum to the sinking fund of such debt or in payment of the instalments of principal, there is a surplus properly applicable to such debt, it shall so remain until required in due course for the payment of interest or for the sinking fund or in payment of the principal. Cap. 16, 1915.

"328. No money levied and collected for the purpose of a sinking fund shall be applied towards paying any part of the current or other expenditure of the city. Cap. 16, 1915.

"328*a*. Notwithstanding anything in this Act contained, the Local Government Board may on the application of the council, and on such terms and conditions as may be deemed advisable authorise the council to use the surplus moneys mentioned in section 327 for current or other expenditure."

Levying or Raising?

Prior to the passing of section 328*a* of the Act, the use of any part of the money levied and collected for the purpose of the sinking fund for current or other expenditure was expressly prohibited by section 328.

Section 292 of The City Act, which authorises the issue of debentures under different methods, provides "that the by-law shall provide for *raising* each year during the currency of the debentures" a specific sum for interest and sinking fund. The expression used is "raising" not merely levying.

Section 326 provides for the keeping of separate interest and sinking fund accounts and directs the treasurer to exhibit "the state of every debt and the amount of money raised, obtained *and* appropriated for payment of it"—not *or* appropriated.

Section 338 requires the city to submit to the Minister of Municipal Affairs annually a return showing whether the sinking fund for the year has been "raised," not merely levied.

Section 351 makes provision whereby the council may provide that the annual amount to be levied shall be paid to the Provincial Treasurer, and section 353 provides that the amount *payable* in any year to the credit of the sinking fund shall be deemed a debt due to the Provincial Treasurer and in default of payment he may sue therefor.

Actual Raising of Money.

It would appear, therefore, that throughout the various sections above mentioned, the Legislature had in view the actual raising of the money for the sinking fund and not merely the making of the necessary levy.

The question then arises, does section 327 of the Act lend itself to a similar or different interpretation? Does the expression "appropriating the necessary sum to the sinking fund" mean the necessary sum of money or necessary sum as levied, whether the same has been collected or not? If the levy in itself is sufficient, then has the sum been "raised," as provided by the by-law authorising the issue of debentures, or has the amount been "obtained and appropriated" as provided by section 326, or is such levy sufficient to discharge the debt due the Provincial Treasurer and would it be a good defence to any action he might bring? It would appear not.

The board is of the opinion that the "sum" referred to in section 327 has reference to a sum of money and that the mere levy of itself is not sufficient, for the section provides for actual payment of interest, and payment of instalments of principal; the sum required for sinking fund is set aside (appropriated) but it is a sum of money raised, for if this were not the case, then the city would be in the position of being compelled to pay to the bondholder the amount stipulated by the debenture, at maturity, in case of a serial form of debenture, but in the case of a sinking fund form of debenture, the interest only would be required to be paid in cash, and an extended period of credit obtained on that portion of the principal which had been levied but not as yet collected. It is the opinion of the board that such discrimination in the forms of payment was never intended.

In the application now under consideration there is an actual shortage of cash in the sinking fund and therefore no surplus moneys available for current or other expenditure as provided by section 328*a*.

As the board can only exercise the discretionary powers granted it under the provisions of section 328a, when the requirements of section 327 have been fulfilled, and these not having been fulfilled, the board has no alternative but to refuse the application.

NEW FINANCIAL HOUSE.

Morrow & Jellett Open Office in the Jarvis Building, Toronto.

The ranks of the Toronto stock and bond houses have been increased this week by the addition of the new firm of Morrow & Jellett. The principals of the new company have been for some years partners of Aemilius Jarvis in the firm of Aemilius Jarvis & Co., and their withdrawal involves some important changes in the latter firm. Mr. Jarvis will continue the business but in a somewhat restricted form for the present. He will have as his lieutenant, R. R. Rogers, who will take charge of the office, leaving Mr. Jarvis time to devote to his patriotic work. The new firm will retain H. L. Somers, as manager of their bond department, and will open offices in the Jarvis Building. All the open stock accounts of Jarvis & Co. will be taken over by Morrow & Jellett.

Money By-laws

Those investors who wish to keep in touch with the municipal bond market will find this department useful. It aims to be accurate and convenient. THE FINANCIAL POST makes a specialty of municipal bond news. Municipalities will find it to their advantage to send in direct news of contemplated bond issues.

BY-LAWS PASSED OR DEFEATED.

L'Orignal.—$6.000 for good roads and bridge, passed by the ratepayers November 5, by almost a unanimous vote.

DEBENTURE NOTES.

Midland.—The advisability of selling the town's debentures at the present time or waiting until the new year, was discussed at a recent Council meeting. It was decided, in view of the explanation of Ald. White, who had interviewed prominent Toronto brokers, to give a firm in that city an option for 10 days. Financial conditions are not likely to improve within the next few months, and as the money will very shortly be required to meet the town's obligations, the above course was agreed to.

Winnipeg.—The municipal hospitals commission has requested the board of control that the necessary authority be obtained from the legislature allowing the city to submit a by-law to the ratepayers for the issue of debentures to cover the cost of an addition to the King Edward hospital and the erection of a nurses' home. The amount required would be about $25,000 for the addition to the hospital and from $175,000 to $200,000 for the nurses' home.

SASKATCHEWAN.

The following is a list of authorizations granted by the Local Government Board from November 1st to 16th.

School Districts.—Wideview, $2,000.

Rural Telephone Companies.—Lorndale, $2,750; Moose Creek, $3,200; Lewiswyn, $3,000; Vawn, $11,300; Sceptre, $1,500; Senlac, $8,000.

Villages.—Esterhazy, $1,000.

The following is a list of debentures reported sold from November 12th to 16th.

School Districts.—Kingsley, $1,600; Mary Evans, Broadview; Rolling Ridge, $2,000, Waterman-Waterbury Mfg. Co.

Rural Telephone Companies.—Avon Hill, $6,400, Wood, Gundy & Company, Saskatoon; Wurtzburg, $4,500, Wood, Gundy & Company, Saskatoon; Shell River, $9,900, Mrs. Shackleton, Prince Albert; McDonald Hills, $15,000, Jas. Dalrymple, Cupar.

BOND SALES.

$13,500 Canada Steamships debs. at 80; $2,000 Dominion Textile, Series A, at 98½; $600 Montreal Trams. debs. at 72¾; $500 Steel of Canada at 90; $100,800 War Loan (1925) at 95½ to 95; $56,100 War Loan (1931) at 95 to 94; $63,500 War Loan (1937) at 93½ to 92¾.

MONTREAL GETS LOAN FROM BANK OF MONTREAL

Interest Payment May Work Out as High as Eight Per Cent.

CITY GIVES ITS NOTE

Bank Reserves Right to Sell Debentures for the Account of the City at Not Less Than 92.85.

The Montreal City Council this week decided to accept the terms of the Bank of Montreal for an advance of the necessary funds for the city to meet the loan for $6,900,000 that falls due on the first of December. There was some criticism on the ground that the city interest payment might work out at as high as 8 per cent., but it was hoped that "the worst" would not happen, and in any case there was practically nothing else to do in the face of conditions of civic management that have aroused a storm of protest from the financial and commercial men of the city, and are almost certain to result in sweeping changes in the city's charter at the coming session of the Legislature next month.

These negotiations with the bank have been going on for the past month, and included conferences with the Minister of Finance, for permission to launch a public loan, and when this was refused on the ground that it would interfere with the Victory Loan, Sir Lomer Gouin was called on to lend his aid. It was only on Saturday last that the Bank of Montreal made a final offer. The city has another $6,100,000 loan falling due on May 1, and it is possible that if a loan is issued early next year it may include sufficient for the two amounts. The immediate security of the bank is a note of the city, and bonds bearing 6 per cent. interest, which the bank may sell at a minimum of 92.85, in which case the interest charge would be 7.75 per cent. The agreement reads:

1. The City of Montreal will subscribe a note for the amount of the money advanced by the bank bearing interest at 6 per cent., payable monthly.
2. The city will issue a temporary loan of $6,900,000, and will deliver bonds to the bank for the amount bearing 6 per cent. interest, and falling due December 1, 1922, the bank reserving the right to sell by public or private tenders for the account of the city, the said debentures, from time to time, in whole or in part, in the United States or Canada, or elsewhere, and to apply the proceeds to the payment of the said note signed by the city, provided, however, that the rate of commission be not less than 92.85 per cent., and provided, moreover, the bank have the right to pay the brokers it employs to place the debentures, a commission not exceeding 2½ per cent. of the amount of the debentures, and to exact a commission of 3-16 per cent. more for such expenses as legal fees, advertising and printing.

INCREASE ASSESSMENT.

Regina May Raise the Percentage of Improvements to be Taxed.

The assessment board of Regina has under consideration the advisability of increasing the assessment on improvements and cutting down the assessment on subdivision property on the outskirts of the city.

While nothing definite has yet been decided upon it is stated the city next year will have to find some method of increasing its revenue and one of the means suggested is to secure an additional income by levying a higher percentage of assessment on the improved property which is at the present time being assessed at 30 per cent. of its value.

The proposal before the board is to increase the valuation of buildings from 30 to 60 per cent. in the course of the next two or three years by an annual increment of say 10 to 15 per cent. until the maximum of 60 is reached.

The board has already met twice and is likely to meet several times before the assessment for next year is complete. The work, however, requires to be completed by the end of the year for the 1918 roll as the assessment notices are required to be sent out during the month of January under the provisions of the city act.

The Cook Construction Co. have filed claims against the city of Montreal in connection with the aqueduct amounting to $1,922,217. Counterclaims by the city reach $1,832,437.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date	Place and Purpose	Purchaser	Rate	Term	Amount	Price	Basis
Nov. 16	Saskatchewan schools	Various (see above)	....	.....	$3,600	.....	.....
" 16	Saskatchewan phones	Various (see above)	7%	15-ins.	35,800	.....	.....

Credit-Canada, Limitée

Government, Municipal and School Bonds

President. Hon. H. B. Rainville
Managers { E. A. Ouimet
F. Saint-Pierre

179 St. James Street, - Montreal, Canada

A NEWSPAPER DEVOTED TO MUNICIPAL BONDS

There is published in New York City a daily and weekly newspaper which has for over twenty-five years been devoted to municipal bonds. Bankers, bond dealers, investors and public officials consider it an authority in its field. Municipalities consider it the logical medium in which to announce bond offerings.

THE BOND BUYER

25 WEST BROADWAY NEW YORK, N.Y.

PICCADILLY
DIEU ET MON DROIT
LONDON
Smoking Mixture
The art of blending tobacco has reached the zenith of perfection in Piccadilly Smoking Mixture.
2 OUNCES 25¢

Make the Most of Travel

THE passenger to the Pacific Coast is today offered a choice of routes that renders it unnecessary to re-trace his steps and opens up a wealth of new scenery and outdoor sport.

Do not fail to visit Jasper and Mount Robson Parks with their wonderful mountains, gorges, glaciers and cataracts.

Here the protection given to game has increased the quantity and reduced the fear of man. Mountain sheep and goat, the most wary of animals, are seen feeding on the hills, and coming down to the railroad in view of passing trains.

For further particulars see our booklet "The Canadian Northern Rockies," or apply to the General Passenger Department, Montreal, Que.; Toronto, Ont.; Winnipeg, Man.

CANADIAN NORTHERN RAILWAY

Announcement

We have started our new Plate Mill, and are Manufacturing Plate from ¼ in. to ¾ in. thick, 24 in. wide, any weight up to 500 pounds.

Dominion Steel Foundry Co., Limited

HAMILTON, ONTARIO

LIVING UNDER THE SHADOW OF WAR

In these dark and uncertain days, only the very best judgment should be employed in selecting investments. Sobered by the lessons of the war, sensible men and women have relinquished schemes to get rich quick by means of speculative securities and they now prefer safe investments yielding moderate interest to questionable ones with high rates. Beneficiaries under insurance policies are often perplexed as to how to invest their monies safely and profitably but the continuous monthly income policy, payable in monthly instalments throughout life, and for twenty years certain, solves the problem completely. It constitutes an automatic safe investment and is issued by

THE MUTUAL LIFE ASSURANCE COMPANY OF CANADA
WATERLOO, ONTARIO
E. P. Clement, K.C., President Geo. Wegenast, Managing Director

British Colonial Fire Insurance Co.
2 Place d'Armes, Montreal
AGENTS WANTED IN UNREPRESENTED DISTRICTS

THE
CANADA NATIONAL FIRE
INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, MAN.

SURPLUS TO POLICYHOLDERS, $1,820,752.82

A Canadian Company Investing its Funds in Canada

APPLICATION FOR AGENCIES INVITED.

NEW RECORDS

Results secured during the past year reaffirm the position of the Sun Life of Canada as the largest life assurance organization of the Dominion.

Fair dealing and progressive business methods have given it leadership in annual New Business, Total Business in Force, Assets, Surplus Earnings, Net Surplus, Total Income, Premium Income and Payments to Policyholders.

Sun Life of Canada Policies are safe and profitable Policies to buy.

SUN LIFE ASSURANCE
COMPANY OF CANADA
HEAD OFFICE—MONTREAL

THE
Independent Order of Foresters

Furnishes A Complete System of Insurance

Policies issued by the Society are for the protection of your Family and cannot be bought, sold or pledged.
Benefits are payable to the Beneficiary in case of death, or to the member in case of his total disability, or to the member on attaining seventy years of age.
Policies issued from $500 to $5,000. For further information and literature, apply to

Total Benefits Paid 53 Million Dollars

FRED J. DARCH, Secretary
W. H. HUNTER, President
S. H. PIPE, F.A.S., A.I.A., Actuary
HEAD OFFICE - - TORONTO

INSURANCE
BANKING
BUSINESS
} **Advantages**

Result from a Scientific Appraisal of your business establishment.

Expert detailed presentation of the facts is essential and invaluable.

Full particulars upon request without obligation to you.

Canadian Appraisal Co., Ltd.
TORONTO—Royal Bank Bldg. NEW YORK—Equitable Bldg.
Head Office—17 ST. JOHN ST., MONTREAL

Investors' Information Bureau

Any subscriber to THE POST may write the Investors' Information Bureau for special information on any Canadian security, or other financial matter in which he may be interested. Inquiries are treated confidentially, and answered by mail. This service is free to subscribers, but inquirers should enclose stamp for reply.

INVESTORS' INSURANCE NOTES

COMPENSATION RATES RAISED BY U.S. BOARD

A Flat Increase of 5 Per Cent. Effective at End of the Year.

RENEWALS INCLUDED

Statement Issued Justifying Higher Premiums, While Board Rejects Proposed Experience Rating Plan.

The Compensation Inspection Rating Board at its special meeting in New York last week adopted the flat increase of five per cent. in workmen's compensation insurance rates as recommended by the National Reference Committee. The advance is to apply on all manual classifications to all risks written or renewed after December 31, 1917. The board also adopted a resolution prohibiting the cancellation and re-writing of any risks between now and that date for a longer period than stated in the cancelled policy. The justification for the advance in rates to meet the higher cost of operating is very forcefully set forth in the report of the sub-committee of the National Reference Committee which says:

"The data reported to the last conference on workmen's compensation insurance rates indicated that the average expense ratio of stock companies was .397, subdivided as follows:

Acquisition cost	.169
General administrative expense	.091
Inspection and adjustment expense	.105
Taxes and other special charges	.032

"Of the above items, acquisition expense is not affected directly by war conditions.

Increasing Expenses.

"General administrative expense and the expense of maintaining inspection, accident prevention and claim adjustment departments, represent according to the above figures 19.6 per cent. of the premium dollar. Of this total percentage, approximately one-half, or ten per cent. of the premium dollar may be assumed to be due to salaries. Assume that war conditions have since the last rate conference had the effect of increasing expenses by an amount equivalent to 2½ per cent. of the premium income.

"The balance of 9.6 per cent. of the premium income which goes to general administrative, inspection and adjustment expense, consists largely of traveling, printing and stationery, rent, telephone and telegraph, express, postage and furniture and fixtures. Each of these several items of expense has been subjected since the last rate conference to a certain amount of increase, varying from a small increase to as much as 50 per cent. as upon postage. Assuming that the average increase is 30 per cent. the effect is to increase expenses in an amount equivalent to 2.9 per cent. of the premium income.

Also Taxation.

"With reference to taxes, the Federal premium tax was not contemplated by the present manual of rates and is levied at the rate of 1 per cent. of the premiums written. It will, however, amount to more than 1 per cent. of the net premium income since the tax is levied upon premiums written and no allowance is made presumably for return premiums paid to policy-holders It is believed that 1.14 per cent. of the net premium income would be a fair estimate as to the amount of this tax. The Federal income tax has since the last rate revision been increased from 2 per cent. to 6 per cent. of the net income. Upon the basis of certain figures, it seems probable that this tax will amount to as much as .17 per cent. of the premium income.

Total Increases.

"Without allowing for acquisition cost, the total increases in expense as above indicated amount to 6.7 per cent. Assuming acquisition cost to be 17½ per cent. of the gross premium, or dividing by 82½ per cent., we arrive at an indicated gross increase in premiums of 8.1 per cent. It should be noted that no reference is above made to the excess profits tax or to the tax upon contribution to surplus. If the foregoing assumptions were modified by assuming that the increase in salaries has been only 15 per cent. and that the average increase for other items of expense amounts to only 20 per cent. instead of 30 per cent., the indicated increase in premiums necessary to cover increase in expenses would become 4.7 per cent. net or 5.7 per cent. with the usual allowance of 17½ per cent. for acquisition expense."

The new experience rating plan submitted by the Experience Rating Conference, New York and the Massachusetts participating, which was practically the same as that in operation prior to and expiring on June 30 last with certain modification as to giving proper weight to the actual valuation of the medical cost, was rejected by the board. This leaves the workmen's compensation rate situation without an experience rating plan. The opinion was quite generally expressed that the proposed plan was far from perfect and that it is best to wait until the developments, resulting from the study of the problem, now being made by the Actuarial Section of the National Reference Committee, are available.

MORE RATE ADVANCES.

Western Companies Consider the Question at Chicago Meeting.

The Subscribers' Actuarial Committee has called a general meeting at Chicago of fire insurance companies doing business in the West to consider the emergency advance in rates made necessary by war conditions. Company officials are expected from the East with C. A. Ludlum, vice-president of the Home of New York, as the spokesman for the Eastern interests.

The Eastern officials have just ordered a 10 per cent. advance in their territory and are insistent that similar action shall be taken in the West. Western managers, while claiming that conditions are different in this field because of the numerous anti-discrimination laws, are prepared to go through with the programme as far as possible. They probably will take up the matter direct with the Insurance Commissioner of each State, explain the need for an increase in premium income to offset the added expenses due to the war, the high cost of replacement, and ask their approval of the increase. If this is not assured the companies will probably file the advanced rates, nevertheless placing the responsibility for setting it aside on the State officials.

CONVENTION AT WINNIPEG.

Provincial Superintendents of Insurance Hold Conference Next Week.

A fine program has been prepared for the approaching conference of provincial superintendents of insurance, which will be held in Winnipeg on December 5, 6, 7 and 8. The conference will open with a meeting of the superintendents for organization and general discussion relative to the conference, which will be followed by a reception of delegates from insurance companies and associations. Addresses of welcome to Winnipeg will be delivered by Mayor Davidson; Lieutenant-Governor Aikins and Hon. Edward Brown, provincial treasurer.

The following papers will be read and discussed during the course of the conference,—"Standardization of Health and Accident Contracts," by A. E. Fisher, Superintendent of Insurance, Saskatchewan; "Provincial Rights and Dominion Laws," by N. G. Garrett, Superintendent of Insurance, British Columbia; "Provincial Laws and Admitted Assets," by S. R. Tarr, Editor of *Canadian Finance;* "Uniform Automobile Insurance," by W. J. Vale, Deputy Superintendent of Insurance, Ontario; "Preferred Beneficiaries," by C. C. Ferguson, General Manager, Great-West Life Assurance Co.; "Uniformity of Department Statements and Investments of Provincial Companies," by R. L. Nicholson, Deputy Superintendent of Insurance, Alberta.

On the evening of Thursday, December 6, the superintendents will be entertained at dinner by the Winnipeg Life Underwriters' Association.

Tests of the capacity of the high pressure and domestic water service of Victoria, B.C., were made this month by representatives of the Canadian Fire Underwriters' Association, including Norman R. Wilson, Toronto; H. Stainton, Winnipeg and M. Broadbent of the Mainland Fire Underwriters' Association.

R. Baird, municipal inspector for British Columbia, says that for the year now drawing to a close the aggregate borrowings of various British Columbia municipalities will probably not exceed $50,000 as compared with an aggregate of about $25,000,000 four or five years ago. With the exception of a few bridges and schools in the interior, no new works have been undertaken either by the government or any municipality, said Mr. Baird.

TO PROTECT INTERESTS OF BONDHOLDERS

Organization Said to be Needed in United States For This Purpose.

MANY FOREIGN ISSUES

Investment Bankers' Association Approves of Resolution to Give Foreign Relations Committee Wider Powers.

One of the interesting suggestions advanced at the Baltimore convention of the Investment Bankers' Association, states the *Bond Buyer* of N.Y., was that of the foreign relations committee which submitted a report discussing the need for and the advantages of having in America a committee or council to represent the thousands of investors who have become holders of foreign government securities since the European war commenced. The idea was received by the members of the Association with considerable enthusiasm and it is probable that some concrete action along the lines suggested will result.

In reporting for the foreign relations committee, A. J Rosenthal, the secretary, gave the following explanation of the situation:—

Long before the entry of the United States into the present world war, the Foreign Relations Committee had been studying the question of the advisability of establishing in this country a Committee similar to that of the Council of the Corporation of Foreign Bondholders in London. Last year a report was submitted describing the organization, operation and work of the London Committee, and this Convention at that time directed the Foreign Relations Committee to continue its investigation into the advisability of establishing a similar Committee in this country.

The Foreign Relations Committee has, therefore, been in correspondence with the London Corporation of Foreign Bondholders, and with a somewhat similar Belgian Association for the Defence of Public Bondholders. Both of these Associations, which have existed for very many years past, were formed through large public meetings and are semi-national institutions.

Nationally Representative.

Conditions here differ largely and public meetings such as those that resulted in the formation of the Council of Foreign Bondholders in England and Belgium are probably not feasible in this country, partly on account of the geographical distribution of our bondholders. On the other hand, it would seem that a Committee of this Association would be more nationally representative of the investment interests of the country than perhaps any other Committee that could be formed. American investors now hold securities of England, France, Italy, Russia, Japan, China, Mexico, Switzerland, Canada, the Argentine and those of other lands, including in some cases the municipalities of such countries. This Committee, therefore, recommends to the Convention that the regular Foreign Relations Committee of the Investment Bankers' Association be used as the nucleus of a Committee which will in time have similar scope and power to the London Foreign Bondholders' Committee.

This enlarged Foreign Relations Committee would at all times keep in touch with the authorities at Washington, and make clear to them the widespread financial interest which this Association represents, and which the members of this Association have in the securities of the foreign governments that have been placed here. By thus mobilizing the investment resources of the country the influence exerted would be tremendous. The Committee would be in contact with and would co-operate where interests were mutual with the great Foreign Bondholders' Committees of Europe (particularly of London), would use the great moral force of this Association in protecting the American bondholder. Should the occasion ever make it seem desirable this Committee could enlist the help of the issuing houses of any particular country's securities, as well as form special committees, representing bondholders of special countries.

Should the plans of the foreign relations committee mature, Canadian municipalities, which propose later on to market issues in the United States, may expect to have their financial affairs much more closely scrutinized than in the past.

ANNUAL MEETINGS HELD.

Life Officers' Association Elects Officers for Next Year.

The annual meeting of the Canadian Life Insurance Officers' Association took place on Friday, November 23, at the board room of the North American Life Assurance Company. A number of important matters affecting the life interests were discussed. The following officers were elected for the ensuing year:—

President, H. C. Cox, president, Canada Life Assurance Co.; Vice-President, C. C. Ferguson, general manager, Great-West Life Assurance Co.; 2nd Vice-President, J. B. McKechnie, managing director, Manufacturers' Life Assurance Co.; Honorary Secretary, D. E. Kilgour, actuary, North American Life Assurance Co.; Auditors, J. F. Weston, managing director, Imperial Life Assurance Co., and G. B. Woods, president, Continental Life Inssurance Co.

Executive Committee:—The foregoing officers; Past President, A. Bissett, manager for Canada, London & Lancashire Life and General Assurance Association; J. E. Kavanagh, vice-president, Metropolitan Life Insurance Co.; A. R. Howell, chief agent in Canada, Gresham Life Assurance Society; A. B. Wood, actuary, Sun Life Assurance Co.; Charles Ruby, secretary, Mutual Life Assurance Co.

CANADIAN ORDER OF CHOSEN FRIENDS
HEAD OFFICE HAMILTON, CANADA

The Order furnishes life insurance to members in accordance with the Standard of the Government of Ontario. Sick and funeral benefits are also given if desired.

No charters are granted to Local Councils outside of Canada. Being confined to this healthful Northern Zone, the death rate is small and rates proportionately low. The Order has already paid over five million dollars in death and disability claims, and over five hundred thousand dollars in sick and funeral benefits.

Over 600 Councils in Canada. If there is not one in your locality there should be. For full information write to any of the following officers:

Dr. J. W. Edwards, M.P., Grand Councillor.
W. F. Montague, Grand Recorder.
W. F. Campbell, Grand Organizer.
J. H. Bell, M.D., Grand Medical Ex.
HAMILTON - ONTARIO

BUY
Canadian Victory
WAR LOAN
BONDS

(This space is donated by the Western Assurance Co., Toronto.)

BUY
Canadian Victory
WAR LOAN
BONDS

This space is donated by the British America Assurance Co., Toronto.)

"Safety First" Ratio

A high ratio of Assets to Liabilities indicates safety of Policyholders' Funds. In this ratio

The Dominion Life
Assurance Company
stands first of all companies in Canada
Head Office, - Waterloo, Ont.

One Reason

men sometimes give for failing to take out Life Insurance is that they are buying a home, and want all their money.

Buy the home, by all means. But remember that a home without an income might be little better than a burden to your wife if you were suddenly removed.

Provide the necessary income by means of Life Insurance. Give your wife a MONTHLY income, as she has been accustomed, by means of the Monthly Income Policy issued by The Great West Life. Thus the home may be preserved, and the funds left for the support of dependent ones is beyond the possibility of unwise investment or loss.

Ask for information, stating age.

The Great-West Life
Assurance Company
Dept. "G."
Head Office - Winnipeg

ESTABLISHED 1849
BRADSTREET'S
Offices Throughout the Civilized World.

We Present a Record—Not a Prospectus.

Reputation gained by years of vigorous, conscientious and successful work.

Thomas C. Irving
General Manager Western Canada
TORONTO

#321

Canada must have money to "CARRY ON"

Till the Boys Come Home — and after!

for the expenditure in connection with the Government's war and Reconstruction programs

AT THE FRONT

A

Canada's soldiers must ~~not be handicapped by lack of supplies.~~ be maintained in Europe until Peace is firmly established. Our resources—especially money—must all be directed to the ~~winning of the war.~~ consolidating of Victory. The Victory Loan must be a success, for the sake of those still at the front.

AT HOME

A

Prosperity at home, too, depends on the success of the Loan. The proceeds will be used to finance ~~war orders for munitions, food and other supplies and~~ The money will be spent in Canada, and so keep the wheels of industry turning.

To Hasten the firm establishment of Victory ---
To Assist still our Boys on the Firing Line ---
To Carry On to the end "At the Front" and at Home.

Buy Canada's Victory Bonds

Thousands of Applications for $5,000 and Over Are Still Required --- Everyone Must Do His Full Duty

Last Day for Subscriptions

B

All applications for subscriptions to the Victory Loan must be in by Saturday night. If you have not yet subscribed, do not wait until the last moment. If you HAVE subscribed, consider carefully if by a little further effort on your part, and by taking advantage of the Banks' plan of easy payments, you cannot apply for more. An investment offering 5½ per cent. interest and the security of the whole resources of the Dominion of Canada is surely attractive. The question should be—not "Shall I subscribe?"—but—"How much can I subscribe?"

D

The consolidat~~ing~~ion of the Success of the Allies' Cause Demands

MONEY!

"Money is the root of all national effort, and if that fails everything fails."
—Rt. Hon. Bonar Law,
Chancellor of the Exchequer.

Lasting Victory ~~—or Defeat~~—is in *our* hands. That man is little to be envied what this ~~supreme~~ urgent moment fails to bring forward his money for the security and advantage of his country.

C

THIS SPACE IS PROVIDED BY THE UNDERSIGNED BANKS:

BANK OF MONTREAL
~~CANADIAN BANK OF COMMERCE~~
~~BANK OF BRITISH NORTH AMERICA~~
BANK OF HAMILTON
BANK OF NOVA SCOTIA
BANK OF TORONTO

Canadian Bank of Commerce
~~ROYAL BANK OF CANADA~~
BANK OF OTTAWA
DOMINION BANK
STANDARD BANK OF CANADA
HOME BANK OF CANADA
MOLSONS BANK

Royal Bank of Canada
UNION BANK OF CANADA
IMPERIAL BANK OF CANADA
MERCHANTS BANK OF CANADA
LA BANQUE PROVINCIALE DU CANADA

All Canadian Banks will remain open on Saturday till 6 p.m. to facilitate the receipt of subscriptions from the public for the Victory War Loan.

CANADA EXPECTS
EVERY MAN AND WOMAN
TO DO THEIR DUTY
Buy Victory Loan Bonds
Nov. 12th—Dec. 1st

CAMPBELL, THOMPSON & CO.
Canada Life Building. - Toronto

O. N. SCOTT
Consulting Mining Engineer
Examination and Reports on Mining Properties
ADDRESS
ONTARIO CLUB - TORONTO
Telephone Adelaide 3040

ERICKSON PERKINS & CO.
Members New York Stock Exchange
STOCKS
AND
BONDS
Private Wires
6 KING STREET WEST
TORONTO

Industrial Plant Valuations
Made by
Qualified Experts in all Lines
Special Canadian Staff
STANDARD APPRAISAL COMPANY
56 Pine Street, - - New York

G. B. Perry & Co.
Government and Municipal Bonds
Local Investments
Merchants Bank Building Hamilton, Canada

Geo. O. Merson & Co.
Chartered Accountants.
807 Lumsden Bldg., Toronto

STOCKS FOR SALE
25 Shares Dominion Sugar.
50 Shares Volcanic Oil & Gas.
30 Shares Dominion Permanent Loan.
J. E. CARTER
Investment Broker, GUELPH, ONT.

SEALED TENDERS, addressed to the undersigned, and endorsed "Tender for Freight Elevators, Printing Bureau, Ottawa," will be received at this office until 4 p.m., on Tuesday, December 4, 1917, for the installation of freight elevators, at the Government Printing Bureau, Ottawa.

Plans and forms of contract can be seen and specification and forms of tender obtained at the offices of the Chief Architect, Department of Public Works, Ottawa, the Overseer of Dominion Buildings, Post Office, Montreal, and of the Clerk of Works, Postal Station "F," Yonge St., Toronto.

Persons tendering are notified that tenders will not be considered unless made on the printed forms supplied, and signed with their actual signatures, stating their occupations and places of residence. In the case of firms, the actual signature, the nature of the occupation, and place of residence of each member of the firm must be given.

Each tender must be accompanied by an accepted cheque on a chartered bank, payable to the order of the Honourable the Minister of Public Works, equal to ten per cent. (10 p.c.) of the amount of the tender, which will be forfeited if the person tendering decline to enter into a contract when called upon to do so, or fail to complete the work contracted for. If the tender be not accepted the cheque will be returned.

The Department does not bind itself to accept the lowest or any tender.

By order,
R. C. DESROCHERS,
Secretary.

Department of Public Works,
Ottawa, November 20, 1917.

Newspapers will not be paid for this advertisement if they insert it without authority from the Department.

Pooling of all American and allied ships plying out of Atlantic and Gulf ports is planned. The shipping board, is working out a program in connection with the pooling of the eastern railroads, the primary purpose being to relieve freight congestion at ports.

The greatest meat order in the history of the Chicago Stock Yards and in the world was placed at Chicago this week. Joseph P. Cotton, chief of the meat division of the Food Administration, was the buyer and the purchase was for the Allied nations, the Red Cross and the Belgian Relief Commission.

TRADE POSITION IN UNITED STATES HAS IMPROVED

Latest Figures Show Some More Favorable Developments.

EXPORTS OF NICKEL

Shipments of War Metal from Northern Ontario an Important Factor in Reducing Debit Balance—Some Interesting Figures.

Special to The Financial Post.

NEW YORK.—Canadian-American trade relations as revealed by the latest figures issued from Washington reveal a strengthening of the Dominion's position on this side of the border. Canada bought 18 million dollars worth less in these markets during September than during August. At the same time, too, Uncle Sam's purchases from Canada were nearly 3 million greater in September than in August. These two causes had the effect of substantially reducing the monthly "unfavorable balance." August's unfavorable balance stood at 37 million whereas September's was less than 17 million.

Uncle Sam's purchases across the border for the month of September have been exceeded in only two previous months in the history of trading between the two neighbor nations. In May and June of this year the monthly total of America's imports from Canada exceeded 40 million dollars, a monthly total never before recorded in official statistics.

At the close of September, 1917, Canada's unfavorable balance in the United States stood at 340 million dollars.

The following table compiled for THE FINANCIAL POST is interesting as illustrating the growth of Canada's trade relations with this country, month by month, for the first nine months of each of the two years, 1916 and 1917. Also is shown the Dominion's monthly unfavorable balance of trade:—

Canadian-American Trade Relations, 1917 and 1916.

1916—	U.S. Exports to Canada	U.S. Imports from Canada	Unfavorable Balance in U.S.
Jan.	$38,318,538	$13,660,233	$24,658,305
Feb.	37,662,675	13,317,475	24,345,220
March	43,113,722	15,506,162	27,607,566
April	48,914,013	15,913,365	33,000,648
May	49,535,572	19,923,720	29,611,852
June	51,122,457	18,869,819	32,252,638
July	49,441,595	19,509,508	29,932,087
Aug.	56,845,240	21,444,213	35,401,027
Sept.	52,148,637	22,649,345	29,499,292
1917—			
Jan.	58,921,378	21,979,490	36,541,888
Feb.	53,841,531	19,260,655	34,580,876
March	77,037,204	22,796,899	54,240,305
April	75,736,134	27,734,545	48,001,589
May	90,985,092	43,244,201	47,740,891
June	94,478,245	40,875,516	53,602,729
July	53,049,103	36,517,340	16,531,763
Aug.	71,395,962	34,481,128	36,914,834
Sept.	53,860,425	37,187,671	16,672,754

Canada's Nickel Exports.

A study of trade relations between the two countries serves to emphasize the importance of Canada's nickel wealth in her foreign barter. Since he commencement of the war period American has imported over 26 millions dollars worth of nickel ore and matte. Virtually the whole of this vast import has crossed the Canadian-American border line. Washington's figures in this regard may be summarized as follows:—

12 months to June 30—	Quantity (lbs.)	Value.
1915	37,995,019	$ 5,074,783
1916	68,797,238	9,520,705
1917	74,038,840	9,970,957
July, 1917	6,562,945	848,585
August, 1917	6,492,321	866,453
Ttl. for war period	193,886,363	$26,281,483

In view of such striking figures an article which the New York *Sun* played up this week becomes of more than the usual interest. This is a treatise under the title "Germany's Great Shortage of Nickel for War Uses." The facts are as set forth in a report by Lieut.-Colonel Richard Reid, now published by special permission in the Journal of the Royal Society of Arts. After setting forth what information is available of Germany's lack of nickel supplies the article deals with the important part Canada plays as a nickel producer. The more vital extracts, from a Canadian viewpoint, follow:—

"The chief nickel producing countries in the order of their importance are Canada, New Caledonia and Norway. Germany, Russia and Italy have a few deposits. Several conclusions may be arrived at from the geographical facts. It seems clear that the mining systems of Germany and Norway are not self-sufficient, but depend upon importation of nickel and raw materials, ores, from abroad and it is for that reason possible to reduce Germany by depriving her of these ores. The best, the Sudbury ore, comes from Ontario. The International Nickel Company and the British America Nickel Corporation have a practical monopoly of nickel deposits. In the Canadian report the ore reserves of the Sudbury mines is given as 70,000,000 tons of proved ore and 150,000,000 tons of possible ore.

"At present the Canadian mines are being maintained at full blast, having great natural advantages such as cheap hydro-electric power and processes of refining that save the platinum and palladium from the ores. No chemicals are used in the systems of electrolytic refining. Hitherto the great difficulty has been to keep down the costs of production, which were 10 cents a pound before the war. They have risen considerably of late together with the cost of transport. Should the price of nickel fall to 25 cents a pound or less it is believed that New Caledonia, the principal competitor of the Canadian companies, would have difficulty in keeping its mines in operation. The report states that the price may be reduced in spite of costs, for cheaper nickel would undoubtedly encourage consumption and require increased production.

"The demand for pure nickel is growing as it is used on a rising scale in the making of coins, watches, cigarette cases, wire, and cooking utensils as well as in electroplating. Apparently United States and Canada are destined to be the chief nickel producing countries."

PRINCE RUPERT HYDRO MAY NET ONLY 20 %

Present Expectation of Directors—Negotiations for Purchase of Water Power.

Special to The Financial Post.

MONTREAL.—The present indications, THE FINANCIAL POST is credibly informed, are that the Prince Rupert Hydro-Electric Company will not net the bondholders more than 20 per cent. At the present time negotiations are being carried on for the sale of one of the water powers to the city of Prince Rupert. For this the company is asking $150,000 but the city objects to the figure, and has offered only on a basis of what has been actually expended for development purposes. The company hopes to realize out of 10,000 feet of land at Point Edward.

The company, which was incorporated in 1911, has been in the hands of a receiver for a year, having defaulted in its bond interest on Jan. 1, 1915. Action was taken to appoint a receiver by the Royal Trust Company as trustees for the bondholders, as a judgment had been obtained against the company and a sheriff was in possession. The receiver reported that he had disposed of some of the equipment and supplies for $76,029. The company issued $50,000 par value of collateral gold notes, part of an authorized issue of $800,000. These notes were secured by $1,200,000 of first mortgage bonds, but could all be paid off for approximately $27,500. Since the meeting application has been made to the court for authority to make the payment, which was granted, with the result that the outstanding bonds amount to $795,000. The sale of the water powers is in the hands of G. F. Gyles, S. McNichol and H. R. Drummond as a bondholders' committee.

RUSSIAN SHOE ORDERS.

Business in Abeyance Pending Political Readjustments.

BOSTON.—With Lenine and Trotzky in control of the Russian government, which is unrecognized by the United States and by the Allies, the contracts for manufacturing shoes in this country for Russian civilian use are indefinitely held up. Some decision is expected to be reached soon as to whether or not this work is to be entirely abandoned.

About the middle of November manufacturers in the United States submitted bids to make approximately 2,000,000 pairs of these shoes, and the bulk of the awards came to New England manufacturers. But contracts were not completed and work has not been started.

In addition to these contracts for manufacture the Russian purchasing commission bought from stocks already on hand approximately 500,000 pairs of heavy unlined work shoes, approximately 250,000 pairs being from eastern supplies and 250,000 pairs in western manufacturing centers. These shoes, it is understood have been shipped from the wholesalers' stores but it is not believed that they have yet left the country. It has been stated that shipments of these shoes will be permitted to go from the United States to Russia, but care will be taken to keep the supplies from falling into unfriendly hands.

It was originally intended to begin delivery in January of shoes which were to be manufactured, deliveries to extend over about five months. Samples had already been made up according to specifications of a standard model adapted for civilian employees of the Russian government, chiefly railroad workers, munition workers and miners. They were of black leather and made on the Munson last, the standard last for the United States Army.

The Otis Elevator Co. is employing 100 women at its Yonkers plant to replace men who have been called to the war.

New United States 25c pieces in circulation since August have caused such a number of inquiries as to their genuineness that the Director of the Mint had to explain that certain changes have been made in the design of the coin.

DAVISON LUMBER FOR SALE UNDER A FORECLOSURE

A Nova Scotia Project to be Wound Up Shortly.

ABSENT MANAGEMENT FAILS

Davison Lumber Business for Many Years a Success But New Administration and the War Brought Failure.

Special to The Financial Post.

HALIFAX.—The story of the Davison Lumber Company, whose properties are advertised for sale under foreclosure proceedings on December 6, at Bridgewater, is one of financial disappointment. It is an example of the fact that what people on the spot who have grown up with a business can do is not always possible for capitalists from abroad who take hold of an enterprise and run it on theoretical rather than on practical lines—the way which had brought success to the original owners. The Davison lumber business had been operated for many years in the province by brothers of that name who found their market chiefly in South America and the United States, shipping their lumber from Bridgewater at the head of navigation on the Lahave River. In 1904 the Davisons sold to a group of Pittsburg capitalists, and those men paid a good figure for the splendid areas. The price was $250,000 cash and $1,000,000 in 6 per cent. bonds of the new company, which was arranged organized as the Davison Lumber Company with a capital of $3,500,000 in common stock. They built a lumber railway of 36 miles, besides spurs of line, and erected a big mill at Springfield in the interior, operating besides two mills at Bridgewater.

The Pittsburg group made a number of changes in the management during the thirteen years since they began operations. After the company had got to work they made a second issue of bonds and the first issue was retired except $250,000. The interest of the quarter of a million first mortgage bonds is paid to date, but that on the outstanding $736,000 of the second issue has not been paid since June, 1915.

The foreclosure proceedings are now brought by the Union Trust Company of Pittsburg as trustees for the bondholders, who, like the holders of the stock, are all Pittsburg men. The Royal Trust Company is trustee for the first bondholders. The sale is subject to the first mortgage, so that whatever price is bid at the auction will be plus $250,000.

Further than this the bank has a lien on lumber and logs for about $300,000, so that whoever turns out to be the purchaser, if he wishes to retain that part of the property, he must provide for $300,000.

Absentee ownership and management for a series of years, and then the disarrangement brought about by the war are the causes of the present condition of this company. In thirteen years the ownership has changed four or five times. If the property falls into the hands of the second bondholders, as it probably will, it is not at all unlikely that, profiting by experience, the company may again make the areas and mills one of the successful factors of Nova Scotia's industrial life.

MERCANTILE MARINE.

A New Issue of Preferred Stock is Being Discussed.

New York advices are to the effect that a plan now under consideration for payment of the back dividends on International Mercantile Marine preferred calls for a new issue of preferred stock to replace the present issue. This new issue would be either a 7 per cent. or 8 per cent. cumulative stock, probably the latter.

In addition, the company would distribute cash and notes to an aggregate value of at least $40. These notes would mature in from three to ten years.

Those favoring this plan point out that an 8 per cent. dividend instead of the present 6 per cent. means an increase of only $1,000,000 annually in dividend charges. Furthermore, this plan should meet with the unqualified approval of common stockholders, as it would put the junior issue at once in line for dividends.

It has been felt in some quarters that an issue of additional common stock might meet with decided opposition from present large holders of the junior issue. In fact it is understood that lawyers considering the various plans have so indicated.

Under an arrangement to pay $40 in cash and notes, not over $20 would probably be actually disbursed in cash, and it is said that the majority opinion does not favor over $16. This would mean anywhere from $20 to $25 in notes.

PRODUCTION

Increased effort and efficiency in labor, more econ[illegible] and less waste in living, building up capital by ha[illegible] work and greater savings, will enrich you and your c[illegible]try. The men and women at home must produce m[illegible] to cover war's waste.

It is easier to make money than to save it. A Savi[illegible] Account at The Bank of Toronto will help save w[illegible] your increased effort provides.

THE BANK OF TORONTO
INCORPORATED 18[illegible]
Head Office - - TORONTO, CANADA
Paid-Up Capital - $5,000,000 Reserve Funds - - $6,508,00[illegible]
DIRECTORS
W. G. Gooderham, President
J. Henderson, Vice-President
William Stone, John Macdonald, Lt.-Col. A. E. Gooderham, A. H. Campbell, Brig.-Gen. F. S. Meighen, J. L. Englehart, Wm. I. Gear, Paul J. Myler
Thos. F. How, General Manager John R. Lamb, Supt. of Branches
D. C. Grant, Chief Inspector
Bankers.—NEW YORK—National Bank of Commerce. CHICAGO—First National Bank. LONDON, ENG.—London City and Midland Bank, Limited.

Sales Agency Wanted
Montreal, Ottawa and Quebec District

An experienced and capable Salesman with Banking and Dun's references, calling on the Manufacturing and Wholesale Trade and Financial Houses, is looking for a good line for sales development, such as Office or Factory Supply Specialties, in part or all of the above territory.

He knows sales and distribution methods, works the territory himself, and can handle a direct-by-mail business.

Will be interested only in lines of merit that can be developed and stand up against competition.

A confidential interview is requested. Address

J. J. GIBBONS, LIMITED
Advertising Agency
121 Bishop Street, Montreal

Jones' New Accounts

JONES is a branch bank manager at M———. He has been a great success, attracting to his bank the accounts of a majority of the local all-alive retailers and manufacturers.

Let Jones tell the story of his methods himself:—

"My bank hasn't a thing to offer that the other banks cannot duplicate. What success I have had has been due, so I believe, to one thing: I have made myself intelligently familiar with my clients' businesses. When I meet Wallace, the grocer, for example, he finds me fairly well informed about his problems. I know something about the prices that he has to pay for goods; and I have even learned, with his help, a good deal about store management.

Now I am going to let you in on a little secret: I read Wallace's business paper, CANADIAN GROCER. So I am able to talk with Wallace on his own ground. Wallace warms up to me whenever we meet; and, when he had a slight excuse, he transferred his business from the ——— Bank to my bank.

In the same way, I keep myself intelligently informed about the businesses of other clients, and they find me able to talk about their business with real knowledge; and, by contrast with the managers of the two other banks, I show up very well in the matter of being interested in and knowing about the business my customers are engaged in. Naturally, I get credit for knowing more than I really do; and yet I am passably well informed on the subjects of groceries, hardware, dry goods, men's wear, books and stationery, iron and steel products, drugs, footwear, and so on.

One of my gifts is curiosity. I am a good asker of questions. I get the other man talking, and I listen. In this way I acquire an insight into the minds and problems of men, enabling me very often to prove myself of real assistance to customers and others who come to me for advice.

I may not solicit the accounts of business houses, but there is nothing unprofessional in my being interested in the other man's business. I get many chances to discuss business with the men in M———, and I deliberately plan to get the other man talking about his business. I am out to sell my bank's services, by ways that are permissible. I regard myself as a salesman as well as a banker, and I enjoy the game."

Jones could have added that among the papers he subscribes to are:

Canadian Grocer (weekly)	$3.00
Hardware and Metal (weekly)	3.00
Dry Goods Review (monthly)	2.00
Men's Wear Review (monthly)	2.00
Bookseller and Stationer (monthly)	2.00

All told, these five papers cost him $12 a year. He earns this sum twice over every month on the accounts of the firms that he has drawn to his bank. Jones has passed on a secret which should be of value to many a branch bank manager.

Subscriptions to the above named publications should be addressed to

The MacLean Publishing Co., Ltd.
143-153 University Avenue, Toronto

3-CENT PRICE IN STATES SUITS CANADIAN MILLS

Newsprint Manufacturers Well Satisfied With Decision of U.S. Court.

WILL MEAN A PROFIT

And is the Ruling Price Now for Export—This Action Will Strengthen Case for 3-Cent Rate in Canada.

The dissolution of the Newsprint Manufacturers' Association by the United States courts, and the fining of three presidents of Canadian newsprint companies $2,500 each does not appear to have induced much lamentation in the Canadian paper field. The other element of the action of the authorities across the border, tne fixing of a price of three cents a lb. f.o.b. mills, from the first of January until the first of April when a further adjustment on a permanent basis will be made, is the element in the case that is affording a large measure of satisfaction to the Canadian manufacturers, particularly as this action may set a precedent for the settlement of the aggravated situation in Canada.

The temporary price of three cents is accepted by the newsprint mills as a vindication of the stand they have taken before the Commissioner in Canada, R. A. Pringle, for this is the price they have been contending for as the only fair one under the higher costs of manufacture. Since the first of last March the price of 2½ cents has dragged along with the investigation itself.

A feature that may be significant is that the price of three cents was announced by the U. S. authorities after the conference the Federal Trade Commission had had with the Canadian Commissioner and lately appointed Controller, R. A. Pringle. This price, by the way, is the exact figure that the Canadian Export Paper Company, which controls several Canadian mill's outputs, has been receiving on its contracts, and it may be taken for granted that at the present price the Canadian mills will not be losing money. The price is subject to revision on April 1, but this price in turn may be reviewed by an appeal court in the United States, to which the mills would turn in the event of a lowered permanent price on the part of the Federal Trade Commission, which the paper men have felt in the past has not been particularly favorable to their views.

Nearly All Exporters.

The Canadian companies that are concerned in the 8-cent price that has been agreed upon take in nearly all Canadian exporters. There are the four for which the Canadian Export Paper Company acts: the Laurentide Company, the Brompton, Belgo-Canadian, and Price Bros.; with those that sell through George H. Mead, the Spanish River group, Abitibi and the Minnesota and Ontario mill at Fort Francis, and the Donnacona. The Canada Paper Company operates independently, but it may be expected that the price that has been created for the others will inevitably apply to this company as well.

The Canadian export of newsprint is about 89 per cent. of the total output, which runs about 2,200 tons daily. The export to other countries besides the United States was estimated by G. F. Steele, General Manager of the Canadian Export Paper Company as about 75,000 tons for the year.

Speaking to THE FINANCIAL POST on the result of the court's action Mr. Steele said that the 3-cent rate was the same as his company had made contracts for. "If the price is reduced to 2.90 on the first of April, of course we will have to cut down our contract prices to that figure. But the chances are that the 3-cent price will be made the permanent one."

The fixing of a price that is regarded as reasonable will, it is believed in the trade, have a stabling effect on the paper business in Canada, whose development has been interfered with to a considerable extent by the uncertainty that has existed for the past nine months.

When asked about the application of the 3-cent price to Canada, Mr. Steele stated that it was not, of course, binding in itself, but that the Canadian mills mentioned above had all agreed to be bound by that price. "If any mill held out for a higher price it would simply be up against a lower competitive price, and would be compelled to sell for the price as fixed by the Federal Trade Commission. It is not legally binding in Canada, but it works out just as effectively."

View of Manufacturer.

The following statement on the situation has been given to THE FINANCIAL POST by George H. Chahoon, President of the Laurentide Co., and the Canadian Export Paper Co.:

"The settlement of the dispute between the Government of the United States and the Newsprint Manufacturers' Association, which has resulted in the dissolution of this body, and incidentally the fining of myself on the ground of being concerned with an unlawful combination in restraint of trade in violation of the Sherman Act, is nevertheless as good a settlement from the manufacturers' standpoint as we could have expected. There has been a price of 8 cents a lb. f.o.b. mill fixed from Jan. 1 to April 1, and by the latter date the matter will have been determined by the Federal Trade Commission for a period up to three months after the war. The point that we urged strongly has been won, for if the manufacturers are not satisfied with the findings, they will have the right of review before three United States Circuit Court Judges of the Second Circuit of New York. These men are non-political, being appointed for life, and there is no particular reason why they should bend to the power of the press, and if there is a chance for a fair decision we will get it from them.

"The manufacturers consented to a plea of noli contendere, that is they did not admit their guilt but submitted to the findings of the court. The prosecuting attorney and the Department of Justice arbitrarily said that the Association was in restraint of trade, and therefore in their decree ordered it dissolved. That point was not argued. We submitted on this point, on condition that we were given these three judges as a court of appeal. The Department of Justice recognized that three cents was a fair price at this time, and that they could not conscientiously ask the Canadian mills to supply it at any lower price.

"Now, if in the settlement in Canada we get a square deal from the Canadian Government, we will have nothing of which to complain."

GERMANY SUFFERS FROM GENERAL DETERIORATION

Railroads and Factories Wearing Out and Human Misery Weakens the People, But No Signs of Revolution.

BOSTON.—Herbert Corey, writing in the Boston *Globe* from Switzerland, says in part: Germany is suffering from progressive mechanical deterioration and cumulative human misery. There will be more food in the next twelve months than in the twelve past and military demands for men and munitions will be met. Weakness is not one of material, but morale. It is not possible that any people can withstand the pressure of misery indefinitely. About June of 1918 the Germans will be talking peace again. It is in June the pangs of hunger are greatest.

Railroad road beds are going to pieces. Engines steam badly and cars are racked. Factories and trains are wearing out. Only forced repairs are made.

Every one gets the calories scientists figure will sustain life. But everyone is hungry all the time. There is no nakedness, but Germany is wearing rags because no new clothes may be bought while the old hang together. Few will freeze but still fewer will have heat in more than one room.

The Germans can get no release of nerve tension. There is plenty of money, and many workmen get three or four times old pay, but there is nothing to spend it on. They are restricted to three glasses of watery beer a day.

Germany is weakening but not weak yet. There is no indication yet of revolution, as the greater part of Germany, told only part of the truth, still believes Germany will win. It has been told the Allies are as badly off, and the United States bluffing. Epidemic of dysentery, fatal in many cases, is sweeping Germany. In Hamburg last summer funeral services in churches were restricted to ten minutes, with churches "running to capacity." In many cities street after street has been closed to hem in contagion, and whole towns quarantined. Burial regulations forbid the use of wood or wool, corpses getting paper shrouds and pasteboard coffins.

Germany reached food production maximum in 1917 and is counting on peace before winter of 1918-19. Every available inch was cropped last year. Decreased fertility now means a decreased yield. Germany is eating up food capital and cutting into herds for which she has not enough fodder. Little or no grain has been received from Rumania, and Turkish crop is bad.

Germany is now restricted to two suits of underwear and one of clothes. Apparently the effort to make paper clothing has been a failure. Sandals and wooden soled shoes have been common, and there has been much going barefooted the past summer.

Boys of 16½ have now been summoned to the colors and men of 55 are now liable. Moral standards have been breaking down, with juvenile misbehavior, thefts and illegitimacy increasing. But German plans for next year's war are more sweeping, scientific and murderous than for any past years.

STATE AND RAILROADS.

U. S. Supreme Court to Decide Powers Over Utilities.

WASHINGTON.—United States Supreme Court has been called upon to determine just what power the state has to compel railroads and other public service companies to extend their lines and make additions to their plants to fit themselves to meet changing needs of the public.

The case is the first of the kind to come before the Supreme Court, and is in the form of an appeal from the decision of the California Supreme Court, which annulled an order of the California Railroad Commission directing the Atchison, Topeka & Santa Fe Railroad to construct a 12-mile connection to fill a gap between Temecula and Fallbrook, in southern California. The railroad systems in this part of the state include a line running southerly to Temecula, and northerly to Fallbrook from San Diego. After hearing various civic and commercial organizations, the commission decided that the line was a public necessity, and entered an order on which an appeal was taken to the state court. The case at the time attracted wide attention, and the court, in reaching a decision, held that the state had no power to compel the road to construct any tracks off its existing right of way, even though a public necessity might exist.

In the brief filed before the United States Supreme Court, commission's counsel contends that a road performs not merely a right of way service, but a regional or territorial service and that the Atchison enjoys a practical monopoly of the transportation service in Southern Calfornia, and further avers that the obligations of a public service company changes as the necessities of the public change. The outcome of the case will be awaited with much interest.

B. C. FISHERIES.

Year's Results Show Higher Yield in Money on Smaller Catch.

The value of the fishery products of British Columbia for the year ending March 31, 1916, totaled $14,538,320,or 40.54 per cent. of the fishery products of the Dominion, which totaled $35,860,708. As in recent years this Province again led the Provinces of the Dominion in the value of its fishery products. British Columbia exceeded Nova Scotia by $5,371,469, and exceeded the total combined fishery products of all the other provinces of the Dominion by $2,482,783.

Notwithstanding the fact that the fisheries of the Province show an increase in value of $3,023,234 over that of the previous year, the quantity of the leading species of fish caught was notably less. The gain in value is due to an increase in the price received for the catch.

Of the fish marketed, salmon produced $10,726,818; herring, $1,009,708; halibut, $1,972,000; cod, $300,049; oysters and clams, $98,130. The list of species marketed included twenty-one varieties.

The salmon pack for the calendar year 1916 totaled 995,065 cases, as against 1,133,381 cases in 1915. The pack of 1916 is valued at $10,726,818, as against $8,018,835 in 1915, a decrease of 139,316 cases

Why Canada Needs More Money

Up to date the war has cost Canada about $700,000,000.

Canada has spent in Canada over $400,000,000 on her own account.

Canada has spent in Canada on behalf of Great Britain over $300,000,000.

What Canada spends for Great Britain is really loaned to Great Britain and will be repaid or credited to Canada later on.

Great Britain needs so much ready cash to finance her own expenditures at home for herself and for our Allies that she must buy on credit from Canada, and from every other country where she can get credit.

Of course Great Britain's credit is so good that other countries, in order to get her trade, are quite as willing to give her credit as we are in Canada.

Canada wants to help Great Britain not only because Canada wants Britain's trade but because we are Canada and she is Great Britain—both members of the same great Empire, kin of our kin, our motherland.

For Canada it is both a filial and patriotic duty to supply Great Britain's war needs and remember, her needs are our needs. Also it is in Canada's self-interest to supply those needs and thus keep open a market for our products.

★ ★ ★

Now, Britain needs our wheat, our cheese, cattle, hogs, and many manufactured articles.

Canada also needs many of these things—between the two it amounts to more than a million dollars a day in cash.

And the producers must be paid in cash.

Neither Canada nor Great Britain could go to a Canadian farmer and buy his wheat or his cattle on credit.

The farmer and all other producers might be ever so willing to give their country credit but they could not do it because they have to pay cash for wages, for rent, materials, etc. They must be paid in cash, or its equivalent.

So Canada says to Great Britain:—"I will lend you the money so that you can pay cash to Canada's producers for what you want.

"I will borrow this money from our own people just as you borrow money from your people.

"I will also borrow from the people of Canada money to pay cash for all the products that Canada, as well as Great Britain, needs in Canada."

That is Canada's practical, patriotic part in helping to win the war.

Without this credit the Canadian producer could not sell to Great Britain, and without these Canadian products the war would be prolonged.

So it is necessary for Canada to give to Great Britain the credit in order that Canada's own producers, who need a market, will have one; and in order that Great Britain which needs the products to win the war, will get them.

★ ★ ★

Now how does Canada get the money by which both Canada and Britain can pay cash for Canada's products?

By borrowing it from the people of Canada through the sale of Canada's Victory Bonds

That is why Canada's Victory Bonds are offered to the people—to raise money to help to finish the war.

"Canada must keep her shoulder to the wheel even though it be a chariot of fire," and the way for Canada to keep her shoulder to the wheel is by buying

Canada's Victory Bonds

Next week this space will tell why Canada raises money
by selling Canada's Victory Bonds

Issued by Canada's Victory Loan Committee
in co-operation with the Minister of Finance
of the Dominion of Canada.

61

BUSINESS MINDS GUIDE JAPANESE GOVERNMENT

Significant Facts About the Mission to New York.

THE HUB OF FINANCE

Manhattan is Now so Considered in Relation to the Business World by the Astute Leaders of the Eastern Empire.

That the financial leaders of Japan—"the best minds that are unofficial"—do not wait for the Government to move, but act "like Americans of mental initiative" and go ahead, is, in the view of Dr. Wm. Elliott Griffis, the most significant fact about the coming of the Japanese financial mission to the United States. Dr. Griffis says "From 1868 to 1905 the Government was often far ahead of the nation. Now, as with us, the best minds that are unofficial stimulate those in high authority, giving helpful precedents."

Headed by Baron Tanetaro Megata, chosen by the Emperor as the leading financial expert of Japan, the mission consists of a train of distinguished bankers and merchants attendant on the baron. Born in 1851, Baron Megata is a modern man, the first Japanese graduate from the American Cambridge, and he is now president of the Harvard Club in Tokio. He studied and mastered the theory of money while in America, and for twenty-five years served in the Imperial Finance Department. He is considered the recreator of governmental finance in Japan.

"The coming of a Japanese financial commission to New York may or may not be the last of the friendly embassies of Nippon to America," writes Dr. Griffis in the New York Sun. "It is evident that with their powers of discernment, so often manifested before, these people discover the casting of the shadow before the event itself. Theirs is a virtual confession that Manhattan is already, in potency, the world's financial centre."

Dr. Griffis continues:

Japan's Financial Friend.

It is wholly fitting that these representatives of the new Japan should make the city of Townsend Harris their goal. Nor is it any mystery that his name is honored as the synonym of integrity, while they salute gratefully his spirit, calling him "the nation's friend."

In hermitage at Shimoda, a tiny pent-up Utica, and forgotten at Washington, Harris with infinite tact and patience, but without ship or soldier, won his long contested demand to go to Yeddo, and stand face to face in audience of the Shogun. Then while Japan was still a hermit nation, having no compact with any foreign power except the United States, and the Perry convention having simply opened two ports to sailors only, Harris set to work to win a treaty of foreign residence and trade. He sat down to teach these recluses about the modern life of nations. For four months daily, from early morning till late candle light, this typical New Yorker patiently instructed the rulers of hermit Japan in the mysteries of modern coinage, tonnage, harbor dues and the intricacies and etiquette of our elaborate modern civilization. Later, after nervous collapse, this hero of peace and good will rose from a sick bed to sign the treaty he had won. Harris set the precedents for twenty nations. Harris's victory ended wanton aggression in Asia, and the Japanese know it. Hence their lively gratitude, even when "a cycle of Cathay"—according to the Chinese calendar—that is sixty years, has elapsed.

Saved Japan From Ruin.

While hermit Japan had no foreign commerce, gold was worth only four times more than silver. Rice, that is, food, was the standard of value.

When on her soil, in 1859, the dregs and selvages of two civilizations met at Yokohama, it was a battle between scamps native and foreign. Tom, Dick and Harry came with pounds, yes, even tons, of silver and bought up the Japanese gold at one-fourth the value which it might command in the world's market. At Harris's suggestion Japan was saved from ruin by a temporary prohibition of export of gold.

After years of recuperation the country recovered in a measure, but for years her people had paper only.

Japan Flooded With Paper Money.

Japan was flooded with paper money, in actually no fewer than two thousand varieties, of every shape, color, material and design. Japan was divided into 280 "fractions of feudalism." Some of these baronial areas could be more than compassed by one step in a pair of seven-leagued boots.

Five times in one day a reader of the *Sun* changed his "money" (with the usual discounts) which was worthless beyond the frontier of the feudal field wherein issued.

Continued on page 19.

A Prime Need of the Age—Health!

IF HEALTH IS WEALTH, YOU CANNOT AFFORD TO TRIFLE WITH YOUR HEALTH.

One of the worst forms of deterioration results from neglect of physical development.

CONSERVE YOUR HEALTH—KEEP PHYSICALLY FIT!

CONSULT COWAN ST. CLAIR

86 BLOOR ST. WEST, TORONTO.
Phone North 2908.

Consultation 12.30 to 2.30 p.m. Private work a specialty. Nurse in attendance.

COWAN ST. CLAIR IS A PHYSICAL CULTURE EXPERT

whose system, practised for over three years in Toronto, has given health, strength and energy to a number of Toronto's leading business men. Abundant testimonials from patrons and the Medical Profession.

EXPLANATION OF THE DEPRESSION OF SECURITIES

Bankers Are Not to Blame For the Present Situation.

NATIONAL FINANCING

Governmental Loans a Factor in Readjusting the Market Value of Capital—Some Factors of the Situation to Be Considered.

The present depression of securities and the falling stock market are due to three factors, according to Francis H. Sisson, vice-president of the Guaranty Trust Company of New York, who spoke this week before the Buffalo Association of Credit Men, at Buffalo, on "Guarding the Nation's Credit."

"The simple fact of the situation is that there is no purchasing power in the market to stay the downward trend," said Mr. Sisson, "that lack is caused, first by governmental competition; second, by private needs; and third, by uncertainty as to future developments. These causes are all entirely outside the possibility of any one, or of any group, to control.

"The bankers of New York have done their utmost to stay this tide, but without great effect, for the very simple reason that neither they nor any other group can stay the operation of economic laws or alter the effects arising from causes which they cannot control. They have done all in their power to help maintain and stabilize values; and their splendid work in floating the second liberty loan certainly speaks for itself." Excerpts from Mr. Sisson's speech follow:

The criticism which has been made of bankers of New York in regard to the falling stock market certainly is not just in view of the facts, as revealed by investigation.

It is not within the power of the bankers of New York to change the economic situation which has been brought about by the war, to which the falling prices of securities is almost entirely due. The experience we are having in the security market in this country is exactly parallel to that through which England and France have passed and are now passing; and the fall of security values here has not been relatively as great as in other places.

There are various elements in the situation which contribute to this fact. In the first place, the absorption of public funds in government loans necessarily makes it impossible for private offerings to complete. Not only has it been impossible to care for the normal liquidation of securities which is constantly made, but the unusual liquidation precipitated by the construction of the borrowing market has had the inevitable result of falling prices.

Perhaps the most immediate problem confronting the American manufacturer and business man, aside from that of increased efficiency, is buying. There is every reason to avoid laying in enormous amounts of stock at the present. By our entrance into the conflict there does not now exist an opportunity for the upheaval of prices in the United States, or throughout the world. And the question of buying will become increasingly difficult as our army is enlarged. Already there is a scarcity of leather, wool and various other materials used in the equipment of a modern army, although we have not yet put a million men in the field—and, we may have to raise a fighting force of five million or more before German autocracy strikes its colors to world democracy.

It is obligatory for us to join in concentrated commercial action not only to defeat Germany in the "No Man's Land" of the war, but in order to meet Germany after the war on equal terms on Every Man's Ground of international industrial competition. For the enemy, even while in the throes of the terrible war he has forced upon all humanity, is preparing as carefully for a future worldwide trade campaign as he did for the military onslaught he launched on an unsuspecting world in August, 1914.

Reconstruction Period.

A billion dollars a year for five years will be needed for building purposes in the United States. The reconstruction of Europe, of course, will requisition far more capital. France, alone, is negotiating for an expenditure here in excess of $150,000,000 to rehabilitate her devastated cities. America, in fact, is the great reservoir from which all things must be drawn.

If the United States and the Allies are to win this war, and win it they must, one of the most vital factors in achieving that goal will unquestionably be adequate transportation facilities. Through the many dramatic, and often unfortunately tragic, features of ocean shipping we have long appreciated the importance of the government's huge shipbuilding programme. But, because of the less spectacular character of the railway situation, the country-at-large has failed to understand the grave condition of rail transportation.

How vital in war times is the transportation of soldiers and supplies needs no exposition here. We are all alive to the paramount importance of this military necessity.

But, will it help to win the war to permit railway stocks to fall $1,000,000,000 in value in six months? Will it help win the war to allow railroad bonds to decline $1,000,000,000 in 10 months, as they have since the first of January? Will it help win the war to make it impossible for the railroads to borrow money for repairs and replacement of worn-out, unsafe equipment? Will it help win the war to restrict railway rates beyond all reasonable limits, when more than $1,000,000,000 a year in new capital must be put into the country's transportation system in order to meet its pressing needs?

The United States must be ready for that most momentous of all world changes, which will mean world leadership for this nation, with its resources of men, material and money such as no people from the beginning of time ever possessed. The prospect is so brilliant as fairly to dazzle the imagination. We must rise to the great opportunity. But its realization will come only after we have successfully fought our way to victory. And its materialization imposes upon us the grave responsibility of discharging our duties to all mankind with thoroughness and honor.

HOW TO SAVE COAL.

Trade and Technical Paper Editors Give Their Advice.

On several occasions since the war broke out Governor Whitman of New York State has sought the advice, by conference, with the editors of the leading trade and technical papers on important business, manufacturing and economic problems.

Recently at his request a committee of editors of technical papers prepared a list of suggestions to manufacturers and business men and the public generally on the saving of coal. The Governor pointed out that the production of anthracite and bituminous coal would doubtless be greater than ever before, but on the other hand the consumption far exceeds the requirements of past periods, and he insists that the American people can avoid distressful conditions this winter only by exercising the greatest care and intelligence in the use of coal. The following are the suggestions which the committee prepared for the Governor.

Suggestions to Public.

The suggestions which the committee requested the Governor to make public follow:

Don't burn coal in an open grate, for in such a practice 75 per cent. or more of the heat goes up the chimney.

It isn't necessary to have every room heated. Most people would be healthier if they slept in cold bedrooms. Close off spare rooms.

Examine furnace and see that there are no cracks at floor line to permit air leakage into the ash pit. Make sure that all firing, ash pit and clean-out doors are airtight when closed.

Endeavor to keep the entire fuel space of your range or furnace filled, heaping the coal slightly in the centre Steam or hot water boilers should be filled so that the coal is level with the bottom of the feed door opening. Don't let the fuel bed burn down too low. Thin fires mean waste. Break lumps to about egg. siz.

Request Feeding Wasteful

Feed the fire and shake the grate at regular intervals. Two or three times daily is generally sufficient unless the plant is inadequate for the service required. Frequent feeding and shaking are uneconomical. Shake down the ashes before adding fresh coal and stop shaking the moment the first bright spot appears under the grate. In mild weather let some ashes accumulate on top of the grate; in severe weather have only a very thin layer of ashes on it.

If, however, the fire has burned very low and more heat is desired open damper in the ashpit and add a small quantity of coal. In this particular case do not shake the grate until this fresh coal is well ignited, then shake down the ashes and again add fuel.

Don't leave feed door draughts open and admit cold air over a glowing fuel bed at any time. The feed door damper should be opened only to admit air over a fresh fire. Air for combustion should be drawn through the burning bed of coal and, as a general rule, all checking of draught should be accomplished by closing the ashpit damper and opening the check damper in the smoke pipe. The check damper should never be opened until the ashpit damper is closed. The shutoff damper in the smoke pipe may be closed partially in case of an unusually strong draught or to check the fire in mild weather, but, as a rule, this damper should be touched very seldom. Never check by leaving the firing door open.

Before feeding a furnace see that the shutoff damper in the pipe is open and close the check damper. This prevents the escape of dust through the feed door into the cellar.

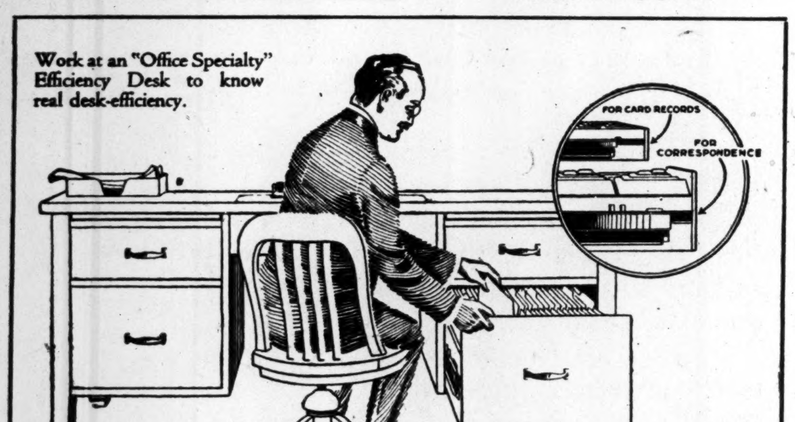
Keep the ashpit empty. Ashes banked up under the grate prevent necessary air circulation, hinder combustion and tend to warp the grate bars. Remove ashes at least once daily, and be sure to sift all ashes to recover the good coal that has dropped through the grate.

Serious fuel wastes result from allowing soot or ashes to be deposited on the interior heating surfaces. This prevents utilization of the heat in the smoke and gases. Clean flues frequently; with soft coal every other day is none too often to give the furnace a brushing down. One-eighth inch of ashes and soot on boiler surfaces retards heat transfer 25 per cent.

NEW FINANCIAL HOUSE.

Morrow and Jellett Have Formed a Brokerage Partnership.

Aemilius Jarvis and A. D. Morrow have dissolved partnership and Mr. Morrow has formed a partnership with Morgan Jellet who has also been associated with the firm of Aemilius Jarvis & Co. for a number of years. The new firm will be known as "Morrow & Jellett," and in addition to carrying on a stock brokerage business they will conduct a bond business, dealing in war loans, government, provincial and municipal bonds. H. L. Somers, late manager of the bond department of Aemilius Jarvis & Co., will be in charge of the bond department. Offices will be in the Jarvis Building, Bay St.



Work at an "Office Specialty" Efficiency Desk to know real desk-efficiency.

FOR CARD RECORDS
FOR CORRESPONDENCE

OFFICE SPECIALTY

EFFICIENCY DESK

MADE IN CANADA

THIS NEW DESK has all the pleasant advantages of a high grade flat top desk, with filing features otherwise only procurable in a large separate stack of filing cabinets.

Two drawers for letter or cap size papers, two drawers for all standard sizes of Card Record Forms and one deep centre drawer fitted with sliding compartment tray give a wonderful capacity and excellent working convenience to the Executive.

Real Desk Efficiency is only possible at an "Office Specialty" Efficiency Desk. Call and see this Desk or ask for illustrated Folder No. 1835.

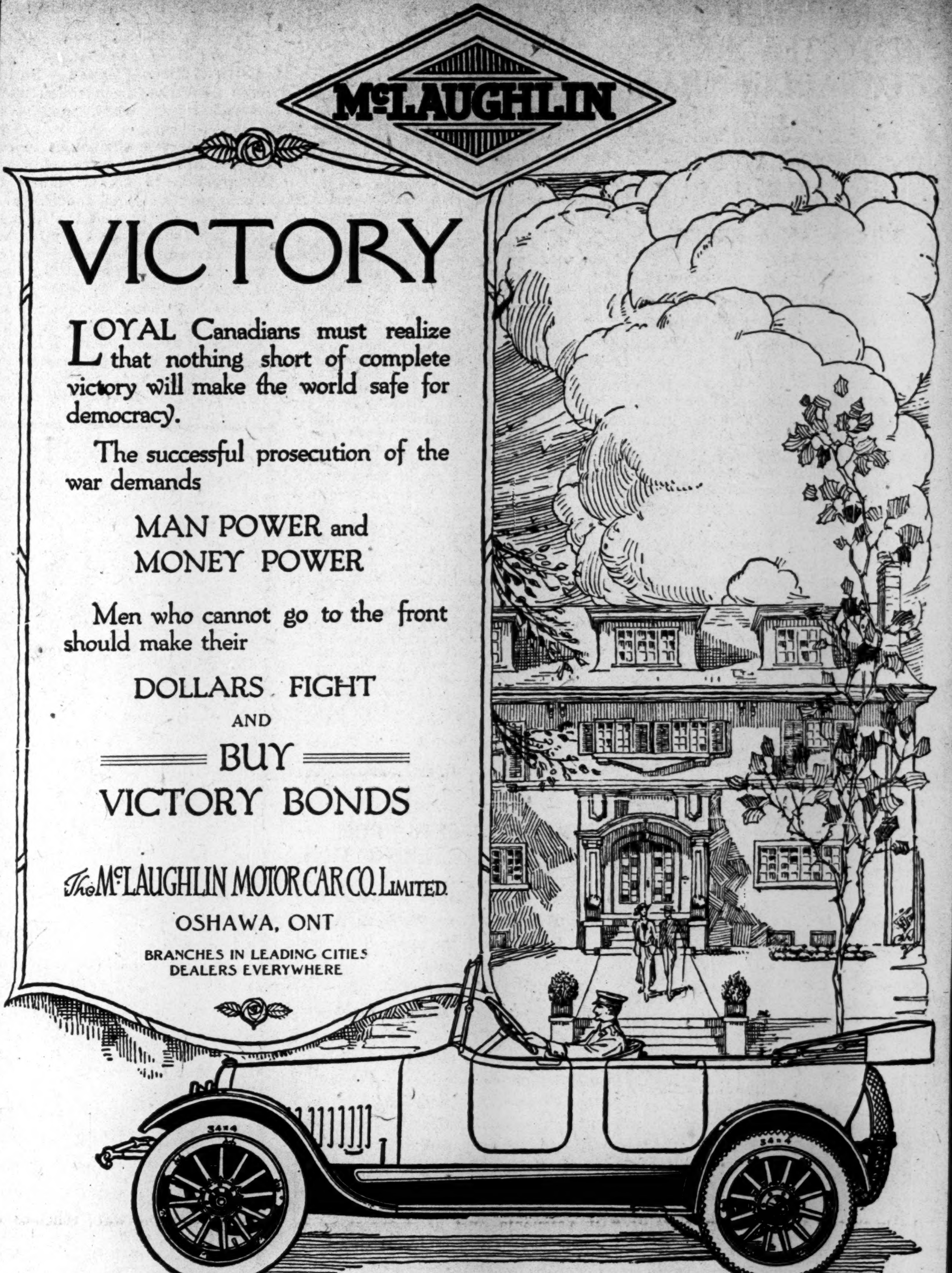
THE OFFICE SPECIALTY MFG. CO. LIMITED

Largest Makers of Filing Devices and Office Systems in the British Empire

Home Office and Factories, NEWMARKET, CAN.

9 Filing Equipment Stores:

TORONTO MONTREAL OTTAWA HALIFAX HAMILTON
WINNIPEG REGINA EDMONTON VANCOUVER



McLAUGHLIN

VICTORY

LOYAL Canadians must realize that nothing short of complete victory will make the world safe for democracy.

The successful prosecution of the war demands

MAN POWER and MONEY POWER

Men who cannot go to the front should make their

DOLLARS FIGHT AND BUY VICTORY BONDS

The McLAUGHLIN MOTOR CAR CO. Limited.
OSHAWA, ONT

BRANCHES IN LEADING CITIES
DEALERS EVERYWHERE

McLAUGHLIN E-6-45 SPECIAL

The New McLaughlin Series E consists of twelve body styles, ranging in price from $1100. Send for description.

REAL ESTATE AND MORTGAGES

BUYER OF LOT MUSTN'T BREAK HIS BARGAIN

Interesting Real Estate Case Comes Into Courts in Montreal.

PAYMENTS IN ARREARS

Purchaser Wished to Hand Back Property to the Vendor and Cancel the Contract Under Which He Bought.

A decision was rendered in the courts, during the past week, which is of vital importance to the thousands of people of Montreal who have invested their money in real estate and have undertaken to pay so much a month to the real estate firm which entered into contract with them, says the Montreal *Star*. The action was in respect of a lot which had been sold on the instalment plan, and on which the purchaser had paid $150 out of a total of $250. Then, for some reason or other, he ceased his payments. He was under the impression that, if he was content to lose the money he had paid to the real estate firm, they could take back the land, and he would be relieved of all responsibility.

Lot Holder's Mistake.

That is where he made a mistake. A man cannot do that, unless the real estate firm selling him the lot is desirous of such a course being pursued. And it is easy to understand that there are circumstance connected with the sale of one lot of a block, which would make it unfair to the estate owner to have thrown back on his hands one lot out of a big estate that he had sold, after the purchaser of that lot had held it probably for years and had prevented the development of the property by refusing to build on it, and also by refusing to sell it to someone who wanted to build. The defendant in the action, which was brought to compel him to complete his agreement to purchase, argued that, under his agreement, his default to pay an instalment when it became due *ipso facto* cancelled the contract. Probably that is the idea cherished by a large number of lot holders. But it is an illusion. A study of the contracts which are in general use among real estate firms will show the purchasers that "the first party (which is the real estate firm) will have the right to cancel this agreement, and the same shall, *ipso facto*, be cancelled, at the option of the first party without its being necessary to put the second party (that is the purchaser) in default, should the latter fail to pay any instalment of price or interest within sixty days after each maturity, and, in such event, to retain all payments made on account of the price or as interest as liquidated damages for such default."

Seller's Right.

There is nothing in the contract leaving it to the second party, or the purchaser, to cancel the agreement if he fails to pay the instalment. It is "at the option of the first party," which is the real estate firm. The plaintiff in the case that was before the court this week said it was not his desire or option to cancel the contract; he wanted the defendant to pay the amount overdue, with six per cent. interest, in accordance with the agreement. The judge decided that the plaintiff was absolutely within his rights, the option to cancel the promise to sell, which is what all agreements for the disposal of lots on the instalment plan are, was extended to the defendant who could not compel the plaintiff to operate a cancellation of the agreement merely by defaulting in his payments. The option to cancel belonged exclusively to the plaintiff, and, if he did not care to exercise that right, he could justly sue for the amount owing.

And so he gave him judgment for the balance due, with interest at the rate of six per cent. per annum from February, 1914, and the costs of the action.

Those in Arrears.

Now there are hundreds of lot owners on the Island of Montreal who are behind in their payments. They have let them run on and on from month to month, until their arrears exceed the amount they have paid in. If they imagine they can get rid of their liability by letting things slide they are mistaken. The real estate firm can compel them to pay up all those arrears through due process of law. It is just the same as if a man went to an automobile firm and bought a car, agreeing to pay so much a month for it. There were other people anxious to get that car and willing to pay the price for it. But the firm let that man have the car, and he kept it in a garage all the summer months and paid a few instalments on it. Then when the snow came and the car could not be used, he went to the automobile firm and said, "Here is your $1,000 car. I have paid you $100 on it, but I am not going to pay any more and I cancel the agreement I made with you and thus relieve myself of all responsibility." The motor firm would very justly argue, "But the season for selling cars this year is gone, people don't want that style of car any more. I could have sold that car at the time you bought it for its full value; now there is a new model on the market, and I could not realize half the price. You keep to your bargain and I will keep to mine." Is there anyone who would say that the motor firm was dealing unjustly with that client? There are times when a real estate firm can sell building lots like hot cakes in one particular locality. There are other times when business is dull. Real estate firms, like other business people, have to judge their market, and it would be unfair to them continually to be having thrust back on their hands property they had once disposed of, even if they were allowed to keep the instalments already paid.

Confide in Dealer.

There is a way out, however, for the men who have purchased lots on the instalment plan and are unable to keep up their full payments, according to agreement. Let them go to any real estate agent and frankly explain their position. They may not be able to pay $25 a month, or even $10 a month, but if they show a desire to live up to their responsibilities and offer some amount however small as an earnest effort of it, it is a thousand chances to one that that offer will be accepted. Well-established firms are not out to rob the public. They don't want to get in the bad books of the lot-buying community, and from a glance I had this week at the books of one of the biggest firms in the city, I know that there are hundreds of people who are being carried on the books month after month with an ever mounting total of arrears against them, because they have been unable to pay the instalments they agreed upon. This does not, of course, apply to soldiers who are on overseas service. Although there is no moratorium, the accounts of these men are being left as when they went away—no arrears are piling up, they are running no risk of cancellation. When they come back, they will be able to take up their regular weekly or monthly payments, just as if the intervening years or months had not been. And that is one of the patriotic things that the responsible real estate firms of this city have been doing without advertisement, without public recognition. All honor to them.

CANCELS CONTRACT.

Baroness Strathcona Refuses Further Extension to Purchaser of Estate.

The Court of Appeals in London has refused to extend the time limit under which the would-be purchaser of Debden Hall, Sussex, the late Lord Strathcona's country estate, was to have completed the purchase. The contract to purchase expired in September, 1916, and was extended to August, 1917. The estate of 5,300 acres, was held for £120,000. Baroness Strathcona has now cancelled the contract, retaining the original deposit of £6,000.

CONDEMNS SYSTEM.

Winnipeg Architect Opposed to Present Method of Building

An address on "Defects in Tenement Construction" was delivered recently before the Winnipeg Sanitary Inspectors' Association by William Bruce, architect. After reviewing building conditions as they existed as far back as 300 years ago in Great Britain, and which he claimed were much better from a health point of view than those prevailing to-day in Winnipeg, Mr. Bruce fully explained what he considered was the ideal system of tenement construction. He was in favor of large square blocks with large central courts, supplying plenty of light and air, garden space all around, as present conditions scarcely allowed even a glimpse of the sun or sky. There was no reason why there should be an average of 90 people per 50 square feet block in Winnipeg where land, he said, was comparatively cheap and tenements, if constructed according to modern practical plans, could be built to rent at half the price charged before the war and with double the amount of space for each tenant. This could be done by a proper arrangement of the buildings and a more appropriate division of the land.

It was a most iniquitous thing, said Mr. Bruce, that in all the leases signed by tenants, there was nothing at all to protect the tenant, everything being in favor of the landlord. He believed the board of control if it could not do the necessary itself should at least make some kind of a move which would ultimately result in the necessary legislation being put through the provincial house for the better protection of the tenant.

MAY CONSTRUCT 300,000 HOUSES AFTER THE WAR

Official Estimate is Made of Requirements in Great Britain.

COST OF $450,000,000

British Government Has Appointed Committee to Study Situation as to Supply of Building Materials.

That 300,000 houses may be built after the war by local authorities in Great Britain, with the financial assistance of the state, was a prediction made at Manchester recently by W. Hayes Fisher, M.P., president of the Local Government Board. The whole question of housing in Great Britain is an interesting one and it appears to have become very pressing.

The State, as a State, said Mr. Fisher, had never taken upon itself the obligation to house the people. It had left this duty to the local authorities, and the local authorities had done very little. They were just beginning to make a move when the war broke out, but the plans of all of them for 1913-14-15 did not contemplate the building of more than 12,000 houses. Over 95 per cent. of the houses in the country had been built by private enterprise.

Private Enterprise Gone.

During the last year or two before the war, Mr. Fisher said, private enterprise was being driven out of the field, and he and his colleagues in the Department were persuaded that it would not be possible to coax private enterprise back just yet. They did not think the State was a good builder, therefore, they turned to the local authorities and asked them what they were prepared to do provided that substantial financial assistance was forthcoming. To the circular issued by the Local Government Board 1,231 out of the 1,806 local authorities had replied.

These replies showed a requirement of 150,000 houses immediately, and of 180,000 after the war; schemes were already prepared for building 40,000, and the authorities were willing to build another 116,000. One-third of the local authorities had not replied, but it might be taken that the whole of them would be prepared to build 200,000, and he thought they could easily be induced to increase the number to 300,000, which a special subcommittee of the Reconstruction Committee had arrived at as the number which ought to be built within a year of the conclusion of the war.

Aid from the Treasury.

The local authorities, of course, Mr. Fisher said, would want to know precisely what was meant by "substantial financial assistance." He was not yet in a position to tell them, because the Treasury had not answered the letter he sent some time ago asking what amount of money they were willing to place at his disposal. But it was permissible to make some kind of calculation. He added:

"In 1915 in order to induce certain local authorities to build houses for the need of great influxes of munition workers, the Government had to make free grants which averaged 22½ per cent. of the cost of building. To build 300,000 houses would cost about £90,000,000. Supposing the Exchequer could raise £30,000,000 or a free grant, on what principles should it be distributed?

"The first guiding principle is that the local authorities must go into partnership with the State. The State, if it is wise, would neither build the houses, nor own, nor control them. That has been proved by experience to be a very expensive arrangement. The local authority would have to make the contracts for the building of the houses and to fix the rents. There is an obligation upon the local authorities to take some risks in this matter; they should not expect the State to take the whole of the risk.

"Supposing, for instance, it is found in Manchester that the economic rent of the houses should be 9s, but that they would only let at 6s, the deficiency on the rent of 2,500 houses could be made up by a penny rate. The risk is not, therefore, very serious. In many places where employment is permanent and wages good, with a Government grant of 20 or 30 per cent. it would be negligible. Another question is whether the bargains which the local Government Board would have to strike with the local authorities should be the same in every case—whether, that was to say, the grant should be a flat rate, or whether it should vary in proportion to the wealth or poverty of the district and the extent to which new housing was needed.

THE
COLONIAL INVESTMENT
AND LOAN COMPANY

Capital Authorized - $5,000,000.00
Capital Paid Up - - $2,453,995.83
Assets - - - - - - - $3,527,985.91

HEAD OFFICE:
15 Richmond Street West
TORONTO, ONT.

Three and a Half Million Dollars

MORE than this sum gives your investment in Colonial Debentures desired security.

Mortgages and other authorized securities are deposited with the Imperial Trusts Company of Canada, under a Trust Deed, in trust for Debenture Holders, to the amount of $125 for each [illegible] worth of Debentures issued.

COLONIAL
5½% DEBENTURES

bear interest at 5½%, and are issued in sums of $100 or multiples thereof.

Interest Coupons, payable to bearer, are attached. Interest is payable half-yearly.

Write or 'phone for full information.

To Our Readers,
EVERYWHERE IN CANADA

The buying of Victory Bonds is a very different matter from parting with your money, even for a splendid patriotic purpose.

You are not subscribing, or donating, or paying out money in any form. You are merely saving your own money, investing it in the very safest way, at the highest rate of interest ever paid in our lifetime in this country for such a high grade security. Never has a better opportunity for investment been offered in Canada for wage-earner, salaried man, or the man in business for himself, than Victory Bonds.

After Life Assurance good bonds are, I consider, the best form of money saving for wage-earners or persons on salary. For those in business for themselves, and for retailers in particular, the buying of Victory Bonds offers the ideal means of using surplus earnings to provide the cash reserve that every business should have.

Experts estimate that ten years hence our twenty-year Bonds should sell for $110 to $112. They will thus yield over 6½ per cent.

John Bayne Maclean

BUSINESS MINDS GUIDE JAPANESE GOVERNMENT.

Continued from page 18.

The American teacher of 1871 remembers how he received his salary in a heap of pasteboards, which, however, being imperial and not local, could be exchanged at the British banks in Yokohama at par. He remembers greeting, as a Danaean shower, the initial pieces of round milled coins of gold and also saluting the splendid new mint building at Osaka.

Better Business Foundation.

Gruesome and less pleasing was his view of the heads of Chinamen and natives stuck on poles in the public highway. These gentlemen, too expert with the pen, had split the pasteboard currency and tried to make two out of one. More agreeable to witness was the huge bonfire of heaps upon heaps of the 2,000 local issues of shinplasters called in by the central Government. Then it was that "the jingling of the guinea" (gold yen) did honorably "help the hurt that honor feels" and had long felt. That purifying fire cheered alike the honest native and the alien. It gave business a sure foundation.

Japanese Banking Built Up

Japan began her banking system in 1879 on the American national bank plan, which was good in its day. In time the Japanese, like ourselves, learned wisdom, and now Dai Nippon has what is virtually a federal reserve. Though still far behind her hopes, Japan had in 1917 104 banks having each a paid-up capital of half a million dollars or more and 1,214 banks each with a lesser capital. Savings banks exist all over the empire. The coin and paper in circulation, nearly balancing, amount to $391,312,000. Almost every other form of popular finance is in vogue, including insurance of various kinds and postal savings banks, but all under strict supervision for accountability.

Japan's Commercial Development.

By a heroic effort in 1905 under Count Matsugata Japan changed from silver to a gold basis. Her national budget, instead of being expressed in figures scarcely mounting above two million, when emerging from feudalism in 1869, and with an army, navy, revenue and all things necessary for a modern state still to be created, the budget for 1916, by way of contrast, is $301,131,000. Instead of the one little steamer, navigated across the Pacific by Katsu Awa in 1859, and no merchant in the realm worth a million dollars, Japan to-day builds her own battleships and mercantile fleet, patrols the Pacific and heartily aids the Allies by lending money in scores of millions. Of her millionaires there are 2,201, and of these two have over $100,000,000 each, and of others, in varying degrees averaging $20,000,000 each, there are thirty-nine, or a total of $174,000,000. As for Japan's credit in the New York market, it is considerably above that of the French or British nation. Townsend Harris's faith is justified.

How Much Does Your Country Mean to YOU?

How Much Its Continued Business Progress?

Answer Through Your Victory Loan Purchase TO-DAY

Put the question straight up to yourself in these final Victory Loan hours when Canada's men are fighting to make this old world safe for democracy—safe for your country—your home—and you.

You answer to-day in your subscription to Canada's War Loan—in your purchase of Victory Bonds. By the ready warmth of your response, you measure the depth of your love for your country—and your gratitude for the comforts and advantages it gives you.

YOU MEASURE THEM NOT IN THE SIZE OF THE BONDS YOU BUY—BUT IN THE SACRIFICE YOU MAKE TO BUY THEM.

Picture what your life would be in a Country bereft of freedom;—picture what you would be had it not been for the opportunities Canada affords her people—the liberty—the freedom—the protection—the security—picture the future of your child in the grip of the iron fist—and put the question to your mind, heart and soul, and then sum up what Canada and Canada's freedom means to you and yours in sentiment and self-interest—FOR ALL THAT STRIKES AT YOUR COUNTRY STRIKES AT YOU AND YOUR HOME.

Then proclaim your answer to-day in buying all the Victory Bonds you can—buy until the buying pinches—all Canada offers no safer investment—your dollars will be fighting for your country and storing up an income for your home.

Tell Canada in Victory Bonds on this last day of the Loan How Much Your Country Means to You!

Space Provided by
The Wm. Davies Co., Limited